



Digitized by the Internet Archive
in 2022 with funding from
University of Toronto

<https://archive.org/details/31761114673700>

G-16



G-16

ISSN 1180-5218

Legislative Assembly of Ontario

First Session, 39th Parliament

Official Report of Debates (Hansard)

Monday 9 March 2009

Standing Committee on General Government

Countering Distracted Driving
and Promoting Green
Transportation Act, 2009

Road Safety Act, 2009

Chair: David Oraziotti
Clerk: Trevor Day

Assemblée législative de l'Ontario

Première session, 39^e législature

Journal des débats (Hansard)

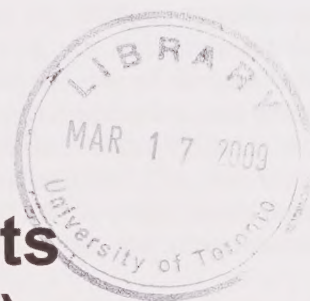
Lundi 9 mars 2009

Comité permanent des affaires gouvernementales

Loi de 2009 visant à combattre
la conduite inattentive
et à promouvoir
les transports écologiques

Loi de 2009 sur la sécurité routière

Président : David Oraziotti
Greffier : Trevor Day



Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Monday 9 March 2009

Lundi 9 mars 2009

The committee met at 1404 in room 151.

ELECTION OF CHAIR

The Clerk of the Committee (Mr. Trevor Day): Honourable members, it is my duty to call upon you to elect a Chair. Any nominations?

Mr. Kuldip Kular: I move that David Orazietti be named for the position of Chair.

The Clerk of the Committee (Mr. Trevor Day): Mr. Kular has nominated Mr. Orazietti. Mr. Orazietti, do you accept?

Mr. David Orazietti: Yes, thank you.

The Clerk of the Committee (Mr. Trevor Day): Any further nominations?

Mr. John O'Toole: I would nominate Frank Klees.

The Clerk of the Committee (Mr. Trevor Day): Mr. O'Toole has nominated Mr. Klees. Mr. Klees, do you accept?

Mr. Frank Klees: I will humbly accept. I would ask that we have—

Mr. John O'Toole: A secret ballot.

Mr. Frank Klees: —a secret ballot, because I have a feeling that the members of government would be intimidated otherwise.

The Clerk of the Committee (Mr. Trevor Day): Unfortunately, our rules do not allow for that, Mr. Klees, but thank you.

Any further nominations? Nominations are now closed.

All those in favour of Mr. Orazietti? Mr. Orazietti has received the majority of the members of the committee.

Mr. Frank Klees: Could I withdraw before the embarrassment?

The Clerk of the Committee (Mr. Trevor Day): Mr. Orazietti, you are the Chair of the committee. Come up, please.

ELECTION OF VICE-CHAIR

The Chair (Mr. David Orazietti): We need an election for a Vice-Chair. Nominations?

Mr. Bill Mauro: I'd like to nominate Jim Brownell for Vice-Chair.

The Chair (Mr. David Orazietti): Do you accept?

Mr. Jim Brownell: I do.

The Chair (Mr. David Orazietti): Any other nominations? All in favour? Opposed? Carried.

SUBCOMMITTEE REPORT

The Chair (Mr. David Orazietti): Good afternoon, everyone. Can I get someone to read the Standing Committee on General Government report of the subcommittee?

Mrs. Carol Mitchell: Sure.

Your subcommittee met on Thursday, December 18, 2008, and Wednesday, February 18, 2009, to consider the method of proceeding on Bill 118, An Act to amend the Highway Traffic Act to prohibit the use of devices with display screens and hand-held communication and entertainment devices and to amend the Public Vehicles Act with respect to car pool vehicles, and Bill 126, An Act to amend the Highway Traffic Act and to make consequential amendments to two amending acts, and recommends the following:

(1) That the committee clerk, with the authorization of the Chair, post information regarding public hearings in the Globe and Mail, the Toronto Star, L'Express, and the daily or weekly paper in Niagara Falls, Goderich, Sudbury and Kingston, for one day during the week of January 12, 2009. This is to include French newspapers where applicable.

(2) That the committee clerk, with the authorization of the Chair, post information regarding public hearings on the Ontario parliamentary channel and the Legislative Assembly website.

(3) That interested parties who wish to be considered to make an oral presentation contact the committee clerk by 12 noon on Thursday, January 29, 2009.

(4) That groups and individuals commenting on one bill be offered 10 minutes for their presentation and those commenting on both bills be offered 15 minutes for their presentation. This will be followed by up to five minutes of questions by committee members.

(5) That the Minister of Transportation be invited to appear before the committee at the conclusion of the public hearings to make a presentation of up to 10 minutes, followed by 20 minutes of questions by committee members.

(6) That the committee meet in Toronto on March 9, 11 and 23, 2009, for the purpose of holding public hearings.

(7) That the deadline for written submissions be 5 p.m. on Monday, March 23, 2009.

(8) That, for administrative purposes, proposed amendments be filed with the committee clerk by 12 noon on Friday, March 27, 2009.

(9) That the committee meet for the purpose of clause-by-clause consideration of the bill on Wednesday, April 1, 2009.

(10) That the research officer provide the committee with a summary of presentations.

(11) That the committee clerk, in consultation with the Chair, be authorized prior to the adoption of the report of the subcommittee to commence making any preliminary arrangements necessary to facilitate the committee's proceedings.

That is the report.

The Chair (Mr. David Orazietti): Any debate on the committee report? Seeing none, all in favour? Opposed? Carried.

COUNTERING DISTRACTED DRIVING
AND PROMOTING GREEN
TRANSPORTATION ACT, 2009

LOI DE 2009 VISANT À COMBATTRE
LA CONDUITE INATTENTIVE
ET À PROMOUVOIR
LES TRANSPORTS ÉCOLOGIQUES

ROAD SAFETY ACT, 2009

LOI DE 2009 SUR LA SÉCURITÉ ROUTIÈRE

Consideration of Bill 118, An Act to amend the Highway Traffic Act to prohibit the use of devices with display screens and hand-held communication and entertainment devices and to amend the Public Vehicles Act with respect to car pool vehicles / Projet de loi 118, Loi modifiant le Code de la route afin d'interdire l'usage d'appareils à écran et d'appareils portatifs de télécommunications et de divertissement et modifiant la Loi sur les véhicules de transport en commun à l'égard des véhicules de covoiturage; and Bill 126, An Act to amend the Highway Traffic Act and to make consequential amendments to two amending acts / Projet de loi 126, Loi modifiant le Code de la route et apportant des modifications corrélatives à deux lois modificatives.

The Chair (Mr. David Orazietti): Good afternoon, everyone. Welcome to the Standing Committee on General Government. As there are a number of presentations this afternoon and some individuals may be speaking to one bill or both bills, the agreed-upon time is 10 minutes if you're speaking to one bill, and you may have up to five minutes of questions following that.

SHARE THE ROAD CYCLING COALITION

The Chair (Mr. David Orazietti): Today we have the first presenters, Share the Road Cycling Coalition. If you'd like to begin, please state your name for Hansard for our recording purposes. Go ahead when you're ready.

Ms. Eleanor McMahon: My name is Eleanor McMahon. I am the founder of the Share the Road Cycling Coalition. To my left and with me today are Mr.

Ron Middel, who is the chief administrative officer of the Police Association of Ontario, and to his left, Debbie Virgoe, who is a road safety advocate as well—and I will talk a little bit about Ms. Virgoe in a moment.

I'm glad to be here. There were tragic circumstances that brought me here, however, and believe me, part of me wishes I wasn't here. To my left, you see a photograph. That is my husband, Ontario Provincial Police Sergeant Greg Stobbart, who was killed in a cycling tragedy while riding his bike north of our home in Milton, Ontario, on June 6, 2006. It is because of Greg that I am here and that I've been working with OPP Commissioner Fantino and others for the past two and a half years since his death on legislative amendments. Those amendments were tabled as part of Bill 126. They are to section 55, which deals with suspended drivers. I draw your attention to those and I'm going to be proposing some amendments to you today.

1410

I should also mention that Mr. Karl Walsh, who's the chief executive officer of the Ontario Provincial Police Association, sends his regrets. He is unfortunately delayed in the United States due to weather; he had hoped to be with us today. He, on behalf of the 8,100 members and my husband's former colleagues of the Ontario Provincial Police, sends kind support in support of my remarks today.

I have a presentation. I'm not going to go through it in its entirety; it would take me longer than the 10 minutes I'm allotted. I hope to address pieces of it, though, so I would ask you to take it out if you have it in front of you; I understand that you do. Again, I am going to go through it very briefly. It contains some statistics and some data that I leave for your thoughtful consideration. With that, I'm going to go through it now.

I start with the background, which is slide 3, because it talks about the reason that we're here. Again, my husband was killed. The driver who killed him had a 10-year driving history that included five convictions of driving under suspension, two convictions of driving while not insured, \$14,000 in unpaid fines—and two months after he killed my husband he hit someone else. I can say that we were all shocked to learn of this rather appalling driving history, particularly since this driver was a commercial driver at the time and drove for a living. So you can imagine our discomfort and how upset we were when we learned of this driving history. As a consequence, we started a debate on high-risk drivers and serial traffic offenders in this province that we thought was important, with a view to seeking tougher penalties to reduce recidivism, save lives and ensure some accountability. I'm moving quickly through my presentation, with your indulgence.

An operating principle that's been important to us from the outset is that obtaining and holding a licence in this province is a privilege and not a right—a very important premise for all of us, especially those in the province who are licensed drivers and who are law-abiding citizens.

A second important operating principle is that traffic authorities—namely, police officers—have to be empowered to take action that's preventative. Preventing tragedies is what law enforcement officers do on a day-to-day basis. I was proud to be married to one and I can tell you that after almost 24 years on the police force, Greg served as a traffic sergeant in the OPP. He dealt with suspended drivers; I heard stories about his work on a day-to-day basis, and the tragedy that they represent is part of the reason that I'm here today.

In looking at seeking amendments that I talked about a moment ago and that are now reflected in the legislation, we wanted to deal with repeat offenders and to reduce those costs to society. Accountability was an important piece of what we're trying to do. In seeking to get legislative amendments in place, we undertook outreach and an enormous amount of research; that research is contained for your information herein. I liaised with other road safety organizations, notably Mothers Against Drunk Driving, given the amount of research that they've done on suspended drivers.

What did we learn right off the bat that was helpful? That six other provinces in Canada have legislation that targets suspended drivers, which we thought was a useful platform to bring to Queen's Park and to the provincial Legislature because dealing with suspended drivers, repeat offenders and high-risk drivers has been a priority in six other provinces; why not the busiest province in the country, in terms of roads and road safety?

Some data that will interest you, I think: There are 8.7 million licensed drivers in Ontario; there are currently 500,000 suspensions on file in this province. That is a number that is far too high, arguably, and that we need to address. Another number: 286 collisions in 2007 involved a suspended driver; that's up from 183 in 2004, a significant increase.

Some Canadian data for you to consider: I draw your attention to the overall costs of collisions in Canada, noted at between \$11 billion and \$27 billion. If we had another problem of this magnitude in our society, such as a health care problem, I'm sure that we'd be moving to fix it. One of the things that I've noticed, and I'm sure you have too, is that there's an overall complacency in our society as regards traffic fatalities and traffic collisions. We expect them to happen. When they do, we feel bad about it, but it's time that we move to close this important piece which deals with repeat offenders and people who leave their driveway without due care and attention for others and repeatedly drive under suspension, as if the law does not apply to them. That is what we're hoping to do with this legislation and of course with the amendments that I'm going to propose.

I won't go through them, but there are two provinces outlined here, Alberta and Saskatchewan, that speak to the importance of suspended driver legislation, and some of the remedies they have put in place. Since I do use them as a platform, however, I will draw your attention to Saskatchewan, where they did a study two years after the legislation was tabled and passed. They noticed that

there was a 30% decrease in repeat offender drivers and suspended drivers in that province. I would suggest that's a fairly good statistic in terms of looking at how vehicle impoundment has worked.

As you know—and Mr. Klees, in particular, knows—since section 172, the Highway Traffic Act, was passed almost two years ago now, dealing with street racing, there have been over 10,000 drivers charged in this province, and there's a 30% decrease in speed-related fatalities in Ontario. Again, a major feature of that legislation is vehicle impoundment. That's why it's in this legislation and, indeed, I'd like to see it strengthened.

I won't go through them again, and I apologize for my scant reading of these, but for your interest and information there are several statistics there and quotes relative to MADD. I would draw your attention, if I may, to a slide which says "Why vehicle impoundment?" I'll very quickly read this:

"Penalties that separate offenders from their vehicles are therefore appealing and have been shown to be effective. Although laws allowing for vehicle sanctions, especially for repeat offenders, have been on the books for years, their use has been quite limited until recently. One major reason for the lack of the use of the sanctions is that they were generally imposed through the courts."

As my friend to my left, Debbie Virgoe, will tell you, her husband, David, who's a hero, was killed by three street-racing drivers on Highway 400. She's in the midst of a trial on all three counts. The fellow who pled guilty was convicted and he was, of course, charged with having no insurance. The maximum fine was \$5,000; he received a fine of \$1,000. Judicial discretion allows for that. I would suggest that sometimes imposing administrative sanctions such as this law suggests gets outside of that discretion and actually acts as a very helpful deterrent, and I think the research backs that up.

I have a quote in there as well, of course, from MADD that talks about suspended drivers and their impact on insurance costs in this province. This is also a very important feature because when someone is suspended, they aren't insured, and that compounds the tragedy.

In summary, we have six jurisdictions in Canada that have programs in place to deal with high-risk drivers and repeat offenders and suspended drivers. We need Greg's Law, as we're calling it. I would ask, Mr. Chair—I don't know if it's in the purview of this committee or not—that it be called Greg's Law, because as a law enforcement officer and a public servant in this province, he dedicated his life and his professional life to accountability in the service of this province. I would ask you to consider that. It can have a powerful effect when you name a law after someone, because it stays with officers, in particular. In his memory and on his behalf, I ask that you consider that.

The final slide deals with my requested amendments that would call, as they have in Alberta and Saskatchewan, for a 30-day vehicle impoundment for a first offence—it would increase the current legislative proposal from seven days; a 60-day impoundment for a

second offence, with an automatic further suspension of the licence on both counts; and then vehicle forfeiture on the third offence, and incarceration should be considered on that third offence. In Alberta, an interesting piece I would like to suggest to members of the committee is that a 60-day impoundment is applied if two offences occur within the same year.

That concludes my formal presentation. I thank you for your attention and I welcome your questions.

The Chair (Mr. David Oraziotti): Thank you very much, Ms. McMahon. We're all very sorry for your loss and saddened by the conditions that brought you here, but we thank you very much for your advocacy and for what you're doing here today.

We have about five minutes for questions and we'll start with opposition members, if you'd like to go ahead.

Mr. Frank Klees: Ms. McMahon, thank you for your presentation and for your advocacy on this issue.

Have you had an opportunity to make your presentation to the government on this issue and, if so, what kind of response have you had to date?

Ms. Eleanor McMahon: Thank you, Mr. Klees.

I met with Minister Bradley last July and had an opportunity to present a very similar presentation to him, including the work that was done in other provinces. He seemed persuaded by the fact that other jurisdictions already had such legislation in place and was kind enough to invite me to the tabling of the legislation in November. It was a positive response from the minister, and I think that's the reason we have the proposed amendments today.

1420

Mr. Frank Klees: Have you had any reaction as to why the stronger impoundment measures have not been included in the legislation?

Ms. Eleanor McMahon: My understanding from talking to officials in the department is that there is some reticence about charter challenges that have existed—currently section 172. My response to that is that charter challenges, in my experience, aren't necessarily suitable grounds for amending legislation. I think we need to be courageous. I think we need to look at what works in other provinces and look at saving lives. The cost to society alone per fatal collision and per injury is significant.

I can just tell you from Mrs. Virgoe and from my perspective that when you lose a loved one—you can just imagine. The deterrent factor of impoundment programs, and the numbers make it clear, is very effective. The growing number of suspended drivers—half a million drivers in this province are currently under suspension, and that should give us all pause for concern. If we can lessen that number, we should try and do so.

Mr. Frank Klees: Mr. Chair, have we got—

The Chair (Mr. David Oraziotti): You've got about 30 seconds, if you want to ask another—

Mr. Frank Klees: I'd just like to give Mrs. Virgoe an opportunity to state why she supports this proposal.

Mrs. Debbie Virgoe: Anything that can help us strengthen the laws in keeping suspended drivers off our

roads is beneficial. Although the drivers involved in my husband's death were not under suspension, one of them was uninsured and should not have been on our roadways. So anything that we can bring forward that will stiffen keeping these drivers off our roadways is of utmost importance.

Mr. Frank Klees: Thank you.

The Chair (Mr. David Oraziotti): Thank you very much. Government members?

Mr. Bill Mauro: Ms. McMahon, thank you for being here today. I have a couple of very quick questions. Our legislation contains a recommendation for seven-day impoundment. Is it in your materials on how long you would like to see the seven days become?

Ms. Eleanor McMahon: How long I would like it to be extended?

Mr. Bill Mauro: Yes.

Ms. Eleanor McMahon: Thirty days on a first offence.

Mr. Bill Mauro: Thirty, you said?

Ms. Eleanor McMahon: Yes.

Mr. Bill Mauro: My second quick question: In your materials, the 500,000 number is a staggering number to me for suspended licences. Is there a significant number of those that are non-driving-related, that are health related, seniors perhaps who fail an eye test or something? Do you know the—

Ms. Eleanor McMahon: I don't know. That's a very good question. That's a blanket statistic. That's OPP data that was sent to me by the Ontario Provincial Police.

Mr. Bill Mauro: It's a staggering number.

Ms. Eleanor McMahon: It is a staggering number. Again, with all due respect to your question, and I do respect it, because there are differing reasons—

Mr. Bill Mauro: I know, yes. Okay, understood. Thank you, Chair.

Mrs. Linda Jeffrey: I just want to thank you for being here today. It must be extraordinarily difficult, and your persistence is very much appreciated, because there is no one who can tell the story better than you can.

Just a quick question. I read your materials but I didn't see anything here—maybe I haven't caught it yet. How do you feel about the fines? The fines have been increased. Do you see that as an impediment? In your research of the other provinces, was that part of the deterrent factor?

Ms. Eleanor McMahon: I think fines are a part of the deterrent factor, but I would look at our own case. This gentleman had \$14,000 in unpaid fines. He continued to incur fines. I can't speak for him, obviously. I would suggest that in this case—and I can say anecdotally from talking to the commissioner and other officers around the province—vehicle impoundment works. Separating people from their cars, the cost and inconvenience of that, is a powerful deterrent. While fines are important, again, when you have an individual who incurs a fine of \$5,000 and keeps on driving, with their licence suspended, and finally five times, is continuing to drive, and that individual is a commercial driver, I would say that

not only do the statistics tell us that vehicle impoundment works but that fines aren't enough. They simply don't do it.

The Chair (Mr. David Orazietti): That's all the time we have. Thank you very much for your presentation and for being here today.

Ms. Eleanor McMahon: Thank you. I appreciate it.

TEAMSTERS CANADA

The Chair (Mr. David Orazietti): Our next presentation is from Teamsters Canada, Robert McAulay, national director, freight and tank haul; and Phil Benson. Gentlemen, good afternoon. Thanks for being here today. You have 10 minutes for your presentation. Please state your name before you begin to speak so that we can record it for Hansard purposes. If there is time remaining, we'll designate that to questions among all the members here. You have five minutes for questions, and in addition, any other time that you leave of the 10 minutes. Go ahead whenever you're ready.

Mr. Robert McAulay: My name is Robert McAulay, director of Teamsters Canada, freight and tank haul division.

Mr. Phil Benson: Good morning. Thank you for having us down. My name is Phil Benson. I'm a lobbyist for Teamsters Canada.

Teamsters Canada's labour organization, with over 125,000 members, is affiliated with the International Brotherhood of Teamsters, which has 1.4 million members across North America. We represent several industries and sectors, including transport—air, rail, truck and ports—retail, motion pictures, breweries, soft drinks, construction, dairy, graphic communication, warehousing and more.

We're talking about Bill 118, distracted drivers, which amends the Highway Traffic Act to prohibit driving with display screens and other devices in motor vehicles, except as exempted by legislation, by regulation. Many of the exemptions make sense, especially as they relate to emergency vehicles and to professional drivers. Some exemptions for the general driving public do not seem consistent with the bill: for example, heads-up displays and navigational equipment. We're referring, of course, to the blue and the white wall of death that our drivers see going down the highway.

As such, the bill seems to do little other than prohibit the use of cellphones while driving, and of course individuals can continue to use cellphones with hands-free technology. It is our understanding that studies do not particularly support the idea that hands-free is a much safer option, but it is at least a start. We also suspect the regulators to be very busy granting exemptions. One glaring omission from the trucking sector of our members is the use of CB radios. For professional drivers, a CB radio is an essential tool of the trade.

The bill does deal with very limited aspects, but we suggest there are a lot more pressing issues regarding safety on the road. Teamsters Canada has repeatedly

raised the issue of snow and ice on top of trailers and the hazard they cause. Health and safety requirements that protect drivers mean that methods of clearing the snow must be provided by private or public sources because drivers can't get on the roof to shovel it off. The Auditor General's report, 2008, reported that commercial vehicle safety and enforcement show a somewhat less than stellar performance by the transport department. The current requirements are not being enforced, checked or regulated, yet we're proceeding with new initiatives.

It's not just distracted drivers; one example is speed limiters on commercial trucks. We don't condone speeding, we are concerned about the environment, but we have concerns. Speed limiters may cause more danger on highways, especially on two- versus four-lane routes. It also appears that the technology to allow truck fleets to change speed settings on the fly are expensive, unavailable, and others claim it may violate warranties. The speed limiter issue is further complicated due to the cost it will impose on truckers. Time and cost create non-tariff trade barriers that may result in a complaint through NAFTA. At a time when hundreds of thousands of Ontario workers have lost their jobs, we wonder why the government would want to create any kind of incentive for US companies to choose Michigan or Ohio rather than Ontario.

On the speed limiter issue, it's bad for trade and it's not necessarily safer. We would prefer working within the CCMTA and AAMVA framework to produce regulations that apply equally and everywhere, something that this government has already taken a position on through interprovincial trade. Once influential governments like Ontario take a piecemeal approach, others will continue. We particularly do not want to work in a patchwork quilt of regulations across North America, as our drivers and transport aren't just local. We often wonder what would happen in Ontario if Michigan decided to set speed limiters at 100 kilometres, Ohio at 95 and Florida at 93.

One thing we are certain of is that transport doesn't seem to have the resources to enforce what it is supposed to do today: basic regulations, truck safety, hours of service. We don't know how you're going to monitor cellphones, wireless communication, snow and ice, or even speed limiters.

Bill 118 is not bad legislation. It may do more good than harm. It seems quite limited. Again, we think it could have been achieved through the CCMTA route. That's the Canadian Council of Motor Transport Administrators.

1430

It's not just professional drivers who need consistent rules; all drivers do. In our opinion, there are much more pressing transportation issues. The holdup, of course, is that, unlike cellphones, they would cost government and industry real money to deal with them.

With that, if you have any questions, we'd be pleased to answer them. Thank you for having us here.

The Chair (Mr. David Orazietti): Okay. We have a fair bit of time. We'll start with the third party.

Mr. Gilles Bisson: I've got a bit of a cold; sorry about that. Thank you for presenting. A couple of things in regard to the safety aspect of the speed limiters. One is if you can give a little bit more detail as to why you think the speed limiters could lead toward more unsafe situations on the highways. Maybe we'll just start with that, if you could give a little bit more detail.

Mr. Robert McAulay: Yes, thank you. Robert McAulay. Like I said, I'm a 41-year Teamster and I drove a tractor-trailer for 25 years.

What would happen, especially on—take the 401, for instance, where there are three lanes going in one direction. The two right lanes would have tractor-trailers in them trying to pass each other. It leaves no alternative but for a car to head for that passing lane, trying to overtake. So you're going to have aggressive lane changes, a lot more lane changes, and a lot of irate drivers.

Mr. Gilles Bisson: Is there any data that demonstrates that from areas where this has been installed?

Mr. Robert McAulay: I don't have data. I just have experience myself and what I've seen on the road. Definitely, what's happening is there are several distractions right now, as Phil mentioned. With speed limiters—we already have speed limiters in place. They're called signs.

Mr. Gilles Bisson: They're called the police.

Mr. Robert McAulay: Exactly.

Interjection: More enforcement. Exactly.

Mr. Robert McAulay: So you've taken one group and said it's okay to do 125 kilometres—120, 125 kilometres an hour—in a car, and drinking a coffee, maybe shaving, with a bowl of cereal on your lap. But on the other hand, you're taking truck drivers and you've said, "Okay, you have to be regulated at 105."

If there's a bad-apple truck driver out there, then shame on him. He should face the penalties, if it's an improper lane change or whatever it happens to be. But at least make it fair for everyone here. We have a traffic flow out there right now. It mixes quite well.

Mr. Gilles Bisson: Just a very quick question on the cost of installing the laptops in order to be able to turn them on and off. How practical is that?

Mr. Robert McAulay: Once again, the limiter itself, to have it regulated, costs about \$150, I understand. You have to go to a dealership and get it done through a computer. If you do it from a home office, it would be about a \$3,000 to \$4,000 cost. It has to be controlled by a home office set-up where you can control your switch on and off.

What it does is, if you've got a US driver coming into our province—and we talk about the free trade, the heavy trade that goes on in Ontario and Quebec—here a driver has to stop and make an appointment at a dealership. It has to be a dealership; otherwise, his warranty would be no good, if somebody else works on it.

Mr. Gilles Bisson: That's a good point.

Mr. Robert McAulay: Yeah. Make an appointment—there's downtime right there, \$150 out of his pocket—come into the province, deliver a load, pick up another

load on the way back out, set his limiter again: another \$150 if he doesn't have that \$3,000 or \$4,000 switch. And then what happens—

The Chair (Mr. David Oraziotti): Sir, I have to stop you there. Thanks very much. We have to move on to the next caucus for questions.

Mr. Gilles Bisson: You can answer that and reduce somebody else's time now.

The Chair (Mr. David Oraziotti): To the government members. Mrs. Jeffrey.

Mrs. Linda Jeffrey: Mr. McAulay, I wonder if you could expand on something you mentioned at the beginning, not being a truck driver myself: the CB radio and the hand microphones that you use as part of the job. Since we're reviewing our exemptions and what would be necessary to assist you doing your job, can you explain how the CB radio works and why it would be necessary to do your job?

Mr. Robert McAulay: Yes, I'd like to answer that. If there's an accident that a driver just passed, he would get on his CB radio. He'd warn other truck drivers that are coming the opposite way to slow down: "There's an accident"—of course, they have their own lingo, but that there's been an accident and to start backing down. What these trucks will do is put on their four-ways to slow the traffic down coming in that direction. In my experience, that's exactly what we've done in the past.

Mrs. Linda Jeffrey: So you'd only use it in case of emergency; is that right?

Mr. Robert McAulay: Yes.

Mrs. Linda Jeffrey: The CB radio wouldn't be used for locating where you're going; it wouldn't be a tracking device at all?

Mr. Robert McAulay: No.

Mrs. Linda Jeffrey: Thank you.

The Chair (Mr. David Oraziotti): If there are no further questions, we'll move to the Conservative caucus. Mr. O'Toole?

Mr. John O'Toole: Thank you, Mr. McAulay. In your presentation with respect to the speed limiters, you were not inherently specific with this bill, but I did attend your presentation here last week, where you and others enunciated it. At your press conference here last week, there were two issues that indicated that it constitutes a threat to safety on our highways. They talked about—and your presentation here mentioned it—studies done by the University of Waterloo that actually substantiate some of the things you've said here today. Could you share with the committee on the record some of those studies? I was told that they were prohibited from being presented during the drafting and discussion on the bill.

Mr. Robert McAulay: There was a study—actually, I just read about that—by the University of Waterloo. Because of the volumes of traffic we have on our highways and because of the aggressive lane changes, it will be a threat to our safety on the roads. That's the report from the University of Waterloo, I understand, in a nutshell.

Mr. Phil Benson: Even the Transport Canada study that the government relied upon raised issues about once

you got away from the three- and four-lane highways to the smaller-lane highways.

Just this morning, quite sadly, brother Fred Randall, who's a reservist, had to go up to Trenton to take part in a ramp ceremony. One of his dear friends unfortunately just passed away in Afghanistan, a former Teamster, Mr. Brown. He was saying that up there, in the exact same place I saw the road rage going up past Oshawa, where the cars went from 140 down to about 65 kilometres an hour—if they're doing 140, where are the police? I'm not sure. But doing 140 down to 60 and there are three trucks trying to pass, one person ended up going off the road. There's that issue of safety on our highways, but there's the other issue of trade. At a time when we're losing tens of thousands of jobs, transportation is an absolute requirement for trade. I think it was unintended, but the bill, as it was put into effect, has created a non-tariff trade barrier. We really don't need that right now at a time of job loss. So there are two aspects to the problem.

Mr. John O'Toole: I guess I have just one more comment. It does send a confusing message to the visitor to Ontario from other provinces and other countries about what the speed limit is. It's posted today, as I understand—I drive each day—at 100. Now we're saying you can go 105. As you said, most of the ambient traffic is about 120 or 115, and then there's another side that says at 150 kilometres an hour there's this inordinate fine of \$10,000. What is the speed limit? What's the message here? To me, it's inconsistent. Would you not agree? Visitors here are going to be confused.

Mr. Robert McAulay: Absolutely, because it's always been accepted, as long as I can remember. Because the speed limit is 100 kilometres an hour, if cars do 120, that's fine. If they're doing 125—I'm just saying, a police cruiser pulls up and it's been accepted. They do it all the time. We're not getting the proper enforcement. How can you turn around with one group and allow that?

Mr. John O'Toole: It's a charter challenge, potentially.

Mr. Robert McAulay: It is, but now we're making it worse. We're putting up a roadblock by limiting all the trucks to 105 kilometres.

The Chair (Mr. David Oraziatti): Thank you, Mr. O'Toole. That's all the time we have for questions. Thank you very much, gentlemen.

Mr. Robert McAulay: Thank you very much, Mr. Chair.

ONTARIO FEDERATION OF AGRICULTURE

The Chair (Mr. David Oraziatti): The next presentation is from the Ontario Federation of Agriculture—I understand you'll be speaking to Bill 126—Peter Jeffery and Wendy Omvlee. Please state your names for the purposes of Hansard. You'll have 10 minutes for your presentation and there will be five minutes for questions, should the caucuses wish that. Go ahead when you're ready.

Mr. Peter Jeffery: My name is Peter Jeffery. I'm senior policy researcher, Ontario Federation of Agriculture.

Ms. Wendy Omvlee: My name is Wendy Omvlee, executive committee, for the Ontario Federation of Agriculture.

OFA is the voice of Ontario farmers. Supported by approximately 38,000 individual farm family members and 30 affiliated organizations, the OFA represents farm family concerns to governments and the general public. We are active at the local level through 51 county and regional federations of agriculture. We welcome the opportunity to present our perspective on the Road Safety Act, 2008, amendments to the Highway Traffic Act.

1440

Farmers and farm organizations endorse road safety and reasonable, effective measures to achieve that goal. Farmers use our system of highways and roads in two distinctly different ways: Firstly, we operate a variety of licensed motor vehicles, ranging in size from small passenger vehicles to large trucks; and, secondly, we operate a variety of unlicensed, slow-moving farm implements from farm to farm.

Turning first to section 30 of the Road Safety Act, 2008, which amends provisions related to the use of the slow-moving-vehicle sign: Farmers rely on the SMV sign on farm vehicles to alert drivers closing from behind that these farm vehicles are travelling at a speed much below the posted road speed limit. Common farm practice is to tow a variety of farm implements from farm to farm or farm to field behind a licensed truck. Unfortunately, the current wording in section 76 of the Highway Traffic Act defining those vehicles eligible to display an SMV sign when on the roads has been interpreted by some enforcement personnel as precluding towing farm implements behind a licensed truck.

A September 2003 memo to Ontario's police services outlined the Ministry of Transportation's perspective on towing farm implements behind a licensed truck; namely, that the ministry "considers the combination of truck and implement to be an SMV, provided an SMV sign is displayed on the towed implement and the speed of the combination does not exceed 40 kilometres per hour."

OFA has long considered it legal and appropriate to tow a farm implement with a licensed truck. OFA has also supported the 40-kilometre-per-hour speed limit for use of the SMV sign. The practice is safe. The practice does not negatively impact road safety.

OFA wholeheartedly welcomes the proposed amendment recognizing the combination of a motor vehicle and towed farm implement as a slow-moving vehicle, provided an SMV sign is displayed on the towed implement and the speed of the combination does not exceed 40 kilometres per hour.

Then our second part: We oppose the proposals to change the current graduated licensing system to require longer periods in both the G1 and G2 driver's licence classes before one can move to the next level. The proposal will directly affect teens and beginning drivers who

live on our farms or who reside in small urban centres without public transit. Teens and beginning drivers who live on our farms or who reside in small urban centres must rely on their parents or older siblings, if present, to drive them to after-school activities, sports or part-time jobs. They often have no alternative. The ability to earn a driver's licence that authorizes one to operate a motor vehicle without an accompanying driver in a timely fashion is vital.

The proposed longer periods for G1 or G2 drivers before they can move on to the next level will significantly impact the lives of teens and beginning drivers who live on our farms or who live in small urban centres. Opportunities for after-school activities, sports or part-time jobs will be severely curtailed, if not outrightly precluded.

What will be the net benefit from longer periods for drivers with a G1 or a G2 driver's licence for teens and beginning drivers who live on our farms or who reside in small urban centres? From our perspective, the outcomes are negative. Farm and small-town teens and beginning drivers will be unable to fully participate in after-school activities, they will be unable to participate in sports and, finally, they will be unable to take on part-time jobs, which for many is crucial to begin post-secondary education through monies earned. The Ontario Federation of Agriculture recommends that periods for drivers with a G1 or a G2 driver's licence remain as they are currently set.

On behalf of the 38,000 farm families who support the OFA, I thank the Standing Committee on General Government for the opportunity to present our perspective on the Road Safety Act, 2008.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. We'll start with the members of the government. Mrs. Jeffrey?

Mrs. Linda Jeffrey: Thank you for your deputation. It's very helpful to have this much detail. Can I ask you about something that you actually haven't mentioned in your deputation? I wondered if there is an impact on the farming community in the use of electronic equipment. It's something we're considering, as to what exemptions would be available and whether there would be any electronic equipment that farmers would use that you would want to have exempted. Is that something you've considered as part of the OFA?

Mr. Peter Jeffery: We looked at the legislation and didn't see a need for a specific agricultural exemption from the prohibitions on hand-held devices.

Mrs. Linda Jeffrey: Okay.

The issue with regard to the slow-moving vehicle: I think what the legislation would ultimately do is make legal what you've been doing in practice all along. Is that the case? In essence, this is what you'd normally have to do, reasonable activities in the business of running a farm, and this is something you would support; is that right?

Ms. Wendy Omvlee: Absolutely. I know in our case, we move implements around with our half-ton all the time.

Mrs. Linda Jeffrey: Thank you very much.

The Chair (Mr. David Oraziotti): Mr. Klees?

Mr. Frank Klees: You make reference to some of the provisions of this act having been brought forward in haste. Can you just tell us, did the government consult with your organization on some of these areas before they drafted the legislation, or perhaps while they drafted the legislation?

Mr. Peter Jeffery: No.

Mr. Frank Klees: They did not consult with you, even though there is obviously a very direct impact on the entire agricultural industry. I just wonder if perhaps the parliamentary assistant could tell us why there was no consultation with this organization.

The Chair (Mr. David Oraziotti): Mr. Klees, the question is to be asked of the presenter. We'll not have the cross-discussion—

Mr. Frank Klees: The parliamentary assistant can respond if she chooses to.

The Chair (Mr. David Oraziotti): We can have a discussion about that later. If you want to use your time to ask questions of the presenter, you're able to do that. You have about three minutes to do that.

Mr. Frank Klees: That's fine, thank you.

The Chair (Mr. David Oraziotti): Third party?

Mr. Gilles Bisson: I'm glad the parliamentary assistant clarified the amendments to the Highway Traffic Act in regard to the towing of various implements, because that is a good thing. That's how I understood it. It just does what we've always done and puts it into law.

You have no worry that the wording may or may not be what you want? You're satisfied with the wording the way it is?

Mr. Peter Jeffery: We're comfortable with the way the wording is.

Mr. Gilles Bisson: All right, that's fair.

On the G1 and G2, what would you suggest? The suggestion is to lengthen the period between the G1 and the G2. You would just leave it the way it is? Is that what you're asking for?

Ms. Wendy Omvlee: Yes.

Mr. Gilles Bisson: That's all I needed to know.

The Chair (Mr. David Oraziotti): No further questions?

Mr. Gilles Bisson: No. We're pretty clear.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

CHARLES DILTZ

The Chair (Mr. David Oraziotti): Is Charles Diltz here? Would you like to come forward for your presentation, please, sir?

I understand that you'll be speaking with respect to Bill 118. If you just want to state your name for the record when you begin, you can start your presentation as soon as you like.

Mr. Charles Diltz: Thank you very much. Good afternoon, ladies and gentlemen. I have provided copies

of my presentation so that you can have something to keep in mind and have with you afterwards.

I want to go on record as saying that I do have a cellphone, and my cellphone is in my car. I keep it in my car. No one has my phone number. The cellphone is used strictly for outgoing calls, and I do not talk on the phone when I'm driving; I pull over.

I have to admit that on two occasions I did use the cellphone while driving. I wasn't crazy enough to try to do it in the city traffic; I did it out on the highway. But I did it simply for the experience and to get evidence of the points that I want to make. There are two points that I would like to make:

One is that the use of any and all hand-held electronic devices such as a cellphone or some of those game players or a BlackBerry by the driver of a moving vehicle should be banned by law. I forgot to put "BlackBerry" on the copy. Over the weekend, a lady found out that I was making this address. She called me and said, "Put BlackBerry in there because my husband drives me crazy"—

Mr. Gilles Bisson: Because of the BlackBerry or for other reasons?

1450

Mr. Charles Diltz: I have no evidence of that, sir—"when he checks the thing while he's driving."

The second point I want to make is that the use of a hands-free phone by the driver of a moving vehicle should also be banned by law. I recognize that this point would be difficult to enforce, but it should be on the books for the police to use if reliable evidence or a witness to an accident or an incident is available. If they are not banned, then people will feel free to buy them, which the manufacturers will love, of course, but which will still contribute to unsafe driving habits.

The reason for these bans can be summed up in one word: "concentration." If one is talking on the phone, one is concentrating on listening, and driving with peripheral vision. To prove the point, simply go out on the street to observe pedestrians talking on their phones. I put the word "yapping" in there. I was told that it wasn't a good word because it suggested that I was angry—I wish to inform the committee that I was not angry, perhaps disgusted, but certainly not angry.

Watch them. They walk with their heads down, they're not fully aware of what's going on around them, and one can occasionally see someone with one of those hands-free phones doing the same thing. In fact, the first time I saw someone with one of those things, I thought they were off their meds and they were standing talking to themselves. It's the same with driving: Listening requires concentration, and it detracts from safe driving. As I pointed out already, I have tried it, to find that I was concerned more with the conversation than with the safe operation of my car. I challenge any one of you who has spoken on a cellphone while driving a motor vehicle to debate this point.

I also wish to point out that there is a difference between concentrating on a phone call and carrying on a

conversation with a passenger or listening to the radio. Have you never turned up the radio to hear the news or you wanted to hear what a particular piece of music was, and you were waiting for the announcer to tell you what the name of the piece was and you missed it because the traffic required your concentration?

Your fellow passenger is also aware of traffic and knows when to be quiet, and a lot of times they can help you. The problem with speaking with a passenger is simply that one tends to look from time to time at one's fellow conversationalist.

Another point that I wish to bring to your attention is that contrary to the ideas expressed by our Premier, eating or drinking or adjusting the temperature or the radio is almost an involuntary action. It does not distract from driving, although I grant you that it means that one has but one hand on the wheel. Further, it could be rather messy if one had to, in an emergency, drop what one was holding. Will you notice, please, that while I was talking, I took this hearing aid out of my pocket? It did not detract from my speaking.

Last week, while getting a newspaper from a vendor's box outside a parking garage, I observed a man who drove into the exit right up to the barrier and looked around for the ticket dispenser. At least he put the phone down in order to back out safely.

There was an article in the *Globe and Mail* on Monday, January 19, 2009, reporting on a GPS device that parents could rent for \$10 to \$20 a month. This gizmo can be attached to the ignition key with a teenager's cellphone number punched in so that the phone is deactivated if the vehicle is moving. The item then went on to list four methods by which the teen could circumvent the device. My point is that the parents should not have to rent such a contrivance and teenagers should not be singled out from adults who should know better.

Driving while talking on a phone is just as dangerous as driving while under the influence of drugs or alcohol. An exaggeration? Perhaps. But sometimes one has to overstress in order to get a point across.

Driving is a privilege, not a right. Unfortunately, in our society today, everyone is concerned about their rights and people forget that there are responsibilities as citizens.

In the name of safe driving, I ask you to do your duty as citizens to ban these unsafe driving practices. Thank you for your attention.

The Chair (Mr. David Oraziotti): Thank you very much, Mr. Diltz, for your presentation. We have about eight minutes for questions. We'll start with the official opposition.

Mr. John O'Toole: Thank you very much, Mr. Diltz. It's a discussion and comments that I've heard many, many times, and perhaps I've had an e-mail from you. Hopefully you haven't sent the e-mail while driving.

I've been working on this issue for about five years, along with Frank Klees, my colleague, who at one time was the Minister of Transportation, I can say. One of the comments you made is the real issue here. There really

are the two functions or two issues when you're driving a vehicle. Your primary responsibility is that there's the physical distraction of fiddling with CDs or your BlackBerry or whatever other device, and there will be more of them, for sure. That's kind of the physical distraction. The other is the mental distraction of the argument with your friend, children, spouse, dog, whatever. Having that distraction is the other part, the mental distraction. So the conversation on a cellphone is admittedly—and that's verified by the researchers. I have the papers with me, actually. One is called the Redelmeier study, which says that mental distraction is four times more likely to be involved when there's an accident. Recognizing that, even to the point where you say it's most like being impaired, the Utah study agreed 100% with what you're saying: You're just as impaired as .08 in a detailed conversation.

There are solutions, and that's what they're looking for here. The starting point is probably something that is a replication of my bill, which is the use of hands-free, voice-activated technology. In the future, the BlackBerry—you won't be text messaging; you'll be voice activating. You'll be speaking and it will be typing and e-mailing and doing all the things that mine and anyone else's does today. You can program it to do that.

Mr. Charles Diltz: Excuse me, sir. I'm not familiar really with the BlackBerry. I don't have one. I was under the impression that you had to hold it up to your face in order to speak on it.

Mr. John O'Toole: No, you don't. In fact, without using a gadget here, you can just press a button and it'll say, "Say a command." It will just say someone's name.

Mr. Charles Diltz: I see. I didn't know it was that sensitive.

Mr. John O'Toole: I'll turn it off here. But the issue here is that these will be gone.

The Chair (Mr. David Oraziotti): Thanks very much for that demonstration, Mr. O'Toole.

Mr. John O'Toole: But it's important.

The Chair (Mr. David Oraziotti): We need to be moving on.

Interjection: —on a mission.

Mr. John O'Toole: It's not a mission, but would you not agree that the technology is important? It's making it safer. We don't want to be considered to be Luddites or against—or Liberals, heaven forbid. Or you just completely ban it, and let's stay where we were in 1958.

Mr. Charles Diltz: Granted, we have the technology. The thing is, when are you going to use it? There has to be a responsible use for these things.

Mr. John O'Toole: That's the educational component, and I agree with you. There is another way, with the technology today: Manufacturers can put a magnetic device in the car that automatically times the call out in two minutes, three minutes. The studies show that long, convoluted conversations, like my talk now, are the ones that actually distract you.

Mr. Frank Klees: They put people to sleep.

The Chair (Mr. David Oraziotti): Thanks, Mr. O'Toole, for that, and on that cue we'll wrap up.

Members of the government? Mrs. Mitchell.

Mrs. Carol Mitchell: Thank you, Chair, and thank you, Mr. Diltz, for your comments. I certainly do appreciate your taking the time out today. Your two recommendations: I am very curious. You read about it in the paper? What prompted you to come forward to the committee today?

Mr. Charles Diltz: I wrote to the Premier two or three times in the last couple of years about this matter and then I wrote to the Minister of Transportation. Is his name Jackson?

Mrs. Carol Mitchell: Mr. Jim Bradley.

Mr. Charles Diltz: Sorry. Yes. I wrote to him, and when I saw your ad in the paper, I thought, "I'm going to go and sound off."

1500

Mrs. Carol Mitchell: Well, I sincerely want to thank you for sounding off. It really is important to all of the committee members that people like yourself take the time to come before the committee. So I sincerely thank you, and we will clearly look at your recommendations.

Mr. Charles Diltz: Thank you for your attention.

The Chair (Mr. David Oraziotti): Thank you very much, sir.

ANTHONY HUMPHREYS

The Chair (Mr. David Oraziotti): Our next presenter is Anthony Humphreys. Good afternoon, sir. I understand you're going to be speaking to both bills. Please state your name for the record for Hansard purposes and proceed when you're ready.

Mr. Anthony Humphreys: Thank you kindly, members of the committee. My name is Anthony Humphreys and I'm here to speak specifically about cycling in regard to these bills.

My family and I ride bicycles. We also happen to own a car, and we do use it from time to time, but as much as is practical, we prefer using the bicycles. Of course, to cyclists, the perception and too often the reality is that those crazy motorists are the people who are responsible for many of our deaths, injuries and collisions, which is why I'm very happy to see these two bills before you today, because many of the items in the bill are going to help to make our roads safer, particularly for cyclists: removing the distractions from drivers, getting their focus back where it should be, on the road in front of them and on the environment that they're moving through. Removing the unsafe drivers from our roads by taking away their vehicles when they no longer deserve to drive is certainly a good thing, and I thank you for moving forward with that.

Today, besides patting you on the back for those items—and certainly, speakers before me have spoken well to those, including my dear friend Eleanor McMahon—I'm here to talk about some of the implications

for cyclists with regard to this legislation, specifically about the e-bikes legislation.

Currently, you're classifying any kind of electric-powered two-wheeled vehicle as a bicycle, which I don't think is fair or right. We already have a classification for mopeds, and many of the vehicles that you're proposing to currently classify as a bicycle should in fact be considered mopeds. The positions that I gave to you in the handout there came from the Toronto Coalition for Active Transportation and the Toronto Cyclists Union. They indicate that their position is that if the power's only there to assist the cycling and pedalling, then that's fine; it can still be a bicycle. But if the person using the two-wheeled vehicle does not need to pedal in order to make the thing go, forget it; it's a moped. I think that's going to be more fair and reasonable. I will explain briefly why I feel that is going to be more fair and reasonable.

The other handout that I gave you here is the example from BC in terms of how they put their legislation together for classifying electric bicycles, which is actually very similar to the position that the Toronto Coalition for Active Transportation and the bike union have put forward. It is that if it's there only to assist the cyclist, then yes, it's a bicycle, but if it's a powered vehicle, then it's a moped.

Just recently, a very interesting book came out called *Traffic*, by Tom Vanderbilt. This is where I'm going to explain why I think that e-bikes should not be allowed as bicycles at this point. In there, he quotes one particular road engineer who says that there are three things that we can do to control the operation of a roadway, which would include a bicycle path or a trail upon which these vehicles will be operating. He says that one of them is the driver, one of them is the vehicle and one of them is the design of the roadway itself. Of course, a road engineer can control the roadway design, but they can't control the driver or the vehicle.

Our current trails and bike paths are specifically designed for bicycles, not for electric-powered vehicles. Without giving them more money to change, you're forcing municipalities to reinvest in their bike paths and trails to accommodate these new users, which, some have told me, looks unfairly like downloading from the province to municipalities.

I think that's about it. Yes, of course, when you're driving a vehicle that you are powering yourself, your attitude and your behaviour are going to be different than one that you're not powering and putting the power into yourself, which is why I'm saying that these really are two different classes of vehicles. I think that's about all I have to say.

The Chair (Mr. David Oraziotti): We've got some time for questions. The official opposition, Mr. O'Toole.

Mr. John O'Toole: Thank you very much for an interesting presentation, and I say that genuinely meaning it.

The current thrust, of course, is to accommodate many different forms of slow-moving vehicles, electric

vehicles, electric bikes. We've had a couple of e-mails in the package. There's one from Tom Seiler, who lives at 1534 Gladstone Avenue in Windsor, talking—pretty much the same as you—about the difference between a bike and an e-bike.

What's your view? In Toronto, I see during the winter, when you can see them, there are bicycle lanes usually covered in snow. Do you think having bicycle lanes in North America, Canada specifically, is a good idea? Usually they're full of snow or ice. Do you think it's a good idea to have these bicycle lanes?

Mr. Anthony Humphreys: In Toronto specifically, the city has been trying to do a better job in clearing the bike lanes specifically. This year, they ran a pilot program with the Martin Goodman Trail. That has proved to be very popular and has gotten a lot of good feedback. I'm sure that when I go back to city hall later this month, we'll hear more about that.

It certainly meant for me—because I live down in Mimico and when I travel downtown, I use Lakeshore and I often use the bike path itself—that I've been able to use that this winter, and of course, even when I haven't been using it, I've been able to see it being used this winter.

I was downtown in February. My daughter had to do something downtown, and I brought her downtown. The very interesting thing for me was, here it was in the middle of the day on a weekday—and we were at Richmond and John Street—and there were more bicycles on the road that day in February than there were motorized vehicles.

So certainly in Toronto it makes a lot of sense. Toronto has, in the downtown core, a very high proportion of cyclists. Out in the outskirts, such as in Etobicoke or Scarborough, it's certainly less so, down to the point where it's nearly negligible. In Toronto overall, I think that the mode share is just over 1%, almost 2% now. The mode share, for instance, in the Northwest Territories in Yellowknife is about 18%.

Mr. John O'Toole: Really?

Mr. Anthony Humphreys: Really. Alaska has one of the highest percentages of cyclists by mode share of just about anywhere in North America. So does it make sense to me? Oh, absolutely, absolutely.

Mr. John O'Toole: I'm asking it sincerely. I would find it difficult to commute on a bicycle, but I'm sure that there are—

Mr. Anthony Humphreys: Well, certainly there are going to be days when it's difficult to drive because of the weather, let alone ride a bicycle. Certainly on those days I do my best to call my boss and say, "Hey, is it a good day for me to work from home today? Can we put off some of our appointments and such?" But yes, it is a good idea.

Mr. John O'Toole: Keep pushing. Thank you very much.

Mrs. Linda Jeffrey: Thank you, Mr. Humphreys, for coming today. This is a really interesting presentation. Do you speak for the Toronto Cyclists Union? Is this their position? Are you their spokesperson?

Mr. Anthony Humphreys: I am not their spokesperson. I am a member, and I do sit on the board of the Toronto Cyclists Union. I am a member of TCAT, and I sit on the steering committee, but I am not their spokesperson. I'm bringing this forward for your information but not on their behalf.

Mrs. Linda Jeffrey: So this is a recommendation that they put together back in February?

Mr. Anthony Humphreys: This is a recommendation that they put together, yes.

Mrs. Linda Jeffrey: I have learned a lot about e-bikes or power-assisted bicycles in the last little while—more than I ever knew before. I understand they became a new category of federally regulated vehicles back in 2001 and that we're looking at and evaluating e-bikes in a pilot program. I have the sense, based on what you said today, that you wouldn't want them as part of this legislation at all. Do I have your understanding right?

Mr. Anthony Humphreys: No. I'm saying that you can make amendments to bring this closer in line with what's gone on in BC. In the States, some of them have allowed higher power and have still continued to classify them as mopeds. They can go up to 50 kilometres an hour instead of the current limit of 32 kilometres an hour. So that's fine by me, and certainly it would be fine by all the rest of us who are out there on our bikes cycling.

Cycling, of course, has benefits that using an e-bike doesn't have, such as the actual physical exercise, which in turn actually lowers costs to your government, specifically health-care-related costs. So encouraging people to be on a bicycle, as opposed to an e-bike, would actually be good for you financially in terms of controlling your own costs with regard to health care.

1510

Mrs. Linda Jeffrey: I don't see any recommendations in here with regard to safety equipment. I presume you have some recommendations regarding the equipment you would wear while riding a bicycle?

Mr. Anthony Humphreys: One of the things that does concern me in the current legislation is that the ability to change the regulations regarding helmets is going to be put solely within the confines of the minister. Adults shouldn't have to wear a bicycle helmet while riding a bicycle—perhaps while riding an e-bike, but not while riding a bicycle.

When you look at the world, in places where there are high rates of cycling, such as Amsterdam, they do not wear bicycle helmets. In fact, there's quite a thrust against them because it makes cycling look more dangerous than it actually is. The risks are actually very low for cyclists in terms of getting involved in a crash or a fall. However, these things happen, so it's wise to wear a helmet, but I don't think we should be legislating them for adults.

Mrs. Linda Jeffrey: Okay. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much, Mr. Humphreys, for your presentation. Those are all the questions we have for you today.

Mr. Anthony Humphreys: Thank you.

LIONEL RUDD

The Chair (Mr. David Oraziotti): Our next presenter is Lionel Rudd. He'll be making a presentation by teleconference. Is Lionel on the line?

Mr. Lionel Rudd: Yes, I'm here.

The Chair (Mr. David Oraziotti): I understand that you're going to be speaking both to Bill 118 and 126. Members are here and ready to listen to your presentation, so if you'd like to start, you can go ahead. You've got about 15 minutes and then we have about five minutes allocated for questions should we need the time.

Mr. Lionel Rudd: Okay, great. My name is Lionel Rudd. I've just retired from teaching engineering at Laurentian University after 27 years. I'm calling from Sudbury, the pothole capital of the world.

Here's my submission. I sent this in to you but I'm going to read it to you again. This is in the context of when it was written, which was in January, and we're now into March.

The recent rash of tragic and very serious traffic accidents that have not only occurred on our local highways but also province-wide raises some important concerns. The media and society are quick to blame the weather. With the onset of the snow season, blizzard white-out conditions, icy roads and extremely low temperatures are certainly among the mitigating circumstances. However, many of the tragedies could be avoided with some imagination, common sense and a strong desire from the Ontario government to legislate safety measures and implement highway safety strategies.

This is my observation: A factor all too common in many accidents is speed. The hazard of speeding is somewhat exacerbated by the current use and embrace of winter or snow tires. The problem with snow tires is that they offer a very false state of security. The manufacturers of these tires market them by extolling the dramatically improved stopping distances and turning characteristics of the product. This does not mean that these characteristics work under all conditions. There is the temptation to drive faster and brake later, assuming that your tires will perform as they do in the TV ads. Snow and winter tires are not necessarily the answer.

Solutions: One solution would be, from November 1 to April 1, to drop the maximum speed limits on all highways by 10 kilometres an hour, and 20 kilometres per hour on the 400-series highways, and strictly enforce these limits with static and mobile photo radar. At the same time, empower police authorities to arbitrarily additionally lower the speed limits during stormy conditions and also enforce these limits with static and mobile photo radar. On major highways and expressways, place remotely controlled illuminated speed limit signs which can be changed when needed due to dangerous or poor driving conditions to slow down the traffic.

Mobile police roadblock or quieting: This is for the 400 expressways. When there is a need to slow the traffic on the expressways, have the police position themselves

in cruisers blocking all lanes with all their flashers going, to slow down the traffic uniformly to a predetermined slower speed.

Another item: When the mobile police roadblock is deployed or a dangerous or hazardous condition exists, automatically shut off the access ramps and direct traffic to secondary routes. This could be employed when traffic counts go beyond a certain tolerance point. It would encourage people to stagger their start/stop times for work etc.

Another point: Personal protection is also a factor in driving and travelling safely. Avoid accidents by slowing down, observing the driving conditions and driving defensively. It should be common practice by now that people pull over when they're tired and do not drive when under the influence of alcohol or medicated. Avoid distractions like cellphones and other onboard toys like satellite navigation systems, stereos and other odds and ends.

There should be an outright ban on the use of all cellphones, passive and hand-held, and other communication devices while driving. This ban must include, as I said, hand-held and hands-free devices. Driving requires 100% of one's attention. Such devices divert mental attention away from the demands of driving. It has been well proven in the UK and other places. The same applies to satellite navigation systems, and drinking and eating while driving. My recommendation is to pull over. Provide an adequate number of safe rest stops to avoid fatigue on all highways. Other distractions include non-standardization of onboard driving controls and function meters like speedometer, fuel gauge, heating and air-conditioning controls; also windshield wiper controls, emergency brakes and window controls. Turn the page; I'm doing this one-handed. These all vary from make to make and even within the same model line. Some are hard to see and others are hard to find. That's the controls.

To avoid T-bone collisions, slow down traffic and avoid the expense of traffic lights, build roundabouts at all intersections. They work. They do not cost a lot of money and they often avoid fatal T-bone accidents. Other factors: Roundabouts keep traffic flowing, thus avoiding stop-go traffic, unnecessary idling and the danger of rear-end accidents. Roundabouts cost far less to construct than traffic light installations, flyovers and stop signs. Roundabouts do not require as much real estate as one would think. They vary in size and design, according to local conditions. Roundabouts have the effect of quieting traffic and lessening road rage. Roundabouts require zero or minimal maintenance.

Highway construction and maintenance are currently mostly done during the daytime, which coincides with the heaviest traffic conditions. Consider the following: In most instances, conduct highway construction at night and off-peak hours. This would have the effect of minimizing traffic holdups and delays, minimizing pollution caused by numerous vehicles idling in stop-go traffic. It would also lower construction costs by affording ma-

chines and workers less traffic to deal with. Also, people and machines work more efficiently when cool. As a reminder—Gilles Bisson will appreciate this—miners have no trouble working in the dark with artificial lights, and they do it safely as well. One of the advantages of working at night is that it improves overall safety of construction crews and traffic.

Another recommendation is to compel municipalities to install bus lanes and express bus routes. Also, compel municipalities to install bike roads—not just lanes parallel to roadways; a separate road for bikes from highways—and keep them clear of snow and other obstructions. This is what they do in China, and it's not that severe.

Plan construction and focus on completing one project at a time rather than several going simultaneously. There is nothing more infuriating than having Highway 69, Highway 11 and Highway 17 all dug up at the same time.

1520
Highway design and management: Have all highway fatalities inquested to attempt to identify causes, remedies and solutions to highway safety. In all cases of fatal accidents and serious accidents, insist that the traffic engineers and highway designers responsible be held fully accountable for their designs, decisions and supervision of highways and traffic under their direction and management.

Establish a commission to investigate and implement innovative and alternative transportation and haulage systems such as pneumatic capsule transportation systems, which could run parallel to rail lines like the Toronto subway, rights of way, hydro lines. It would be a fantastic way to enhance cross-border commerce.

Review other innovations, such as linear induction motors, for transportation. That's used on the Scarborough line of the TTC.

Methods of rapidly and effectively fixing potholes: I would suggest something like a portable, large-diameter diamond drill, to ream out the potholes' holes, and a preheated plug of the same diameter be inserted and tamped in place. If done at night and allowed to cool properly, it should last.

Lastly, a system of preventative and pre-emptive maintenance should be created for our highways.

I could carry on for a whole day, but I've only got a few minutes. That's the end.

The Vice-Chair (Mr. Jim Brownell): Thank you very much for your presentation. It's Jim Brownell now in the chair. I'm the Vice-Chair of the committee, and I want to thank you for your presentation. We have about five minutes each for this. I believe we start with Mrs. Jeffrey.

Mrs. Linda Jeffrey: Thank you very much for being a deputant from Sudbury, Mr. Rudd. I appreciate your thorough presentation; it's very helpful.

I guess I wanted to respond to something I read in your letter to the standing committee about the fact that we weren't able to get up to Sudbury. I think many of us were very disappointed. We just didn't have enough individuals who came up by the deadline to appear before

committee. So we're really pleased that you took the time to do this.

The only other thing I wanted to respond to in your letter was that you indicate there were various safety agencies that haven't shown an interest in this consultation. I would tell you that I've noticed there are a significant number of safety agencies, particularly with Bill 118, which is the distracted driver bill. We had the Ontario Association of Fire Chiefs, MADD Canada, the Insurance Bureau of Canada, the Canada Safety Council and the Ontario Safety League. We've had a significant number of individuals who commented on the bill. So if you've come away with the impression that people haven't participated, they have been consulted extensively on this bill. I just wanted to make sure you knew that.

Mr. Lionel Rudd: I stand to be corrected. I'm more familiar with the Industrial Accident Prevention Association and people like that.

Mrs. Linda Jeffrey: I'm specifically interested in the second point you put in your deputation to us with regard to GPS systems or all cellphones. You would ban all cellphones and all communication devices in a vehicle, would you? Is that your position?

Mr. Lionel Rudd: Yes. It's well documented. I consulted with Dr. Frank McKenna of the University of Reading in Britain. He visited Sudbury and Toronto last year to make presentations. In Britain, it's a total ban; you don't use any of those things. The psychologists and the researchers have identified the fact that you need—and anyone will tell you this—100% of your attention for driving.

Mrs. Linda Jeffrey: I think a lot of what you have in your letter really would have us legislate a lot of common sense; a lot of good ideas that are here. We would hope that most drivers would have their attention completely on driving. There's nothing more important. You have a very dangerous vehicle in your hands when you're not paying attention. I appreciate the detail that you put into your presentation.

Do you have any opinions on the extension of the G1 licensing? You didn't mention it in your presentation. How do you feel about us extending the time that new and novice drivers would have to prepare for being a fully licensed driver?

Mr. Lionel Rudd: Well, yes, it's a good idea, but I think that driving a vehicle is an ongoing practice. During my years at the university, I used to drive a 15-seater bus. I would have to redo my driving test every three years. I would have to have a medical. So I was constantly upgrading my driving skills and my knowledge of current practices.

Tragically, with a regular licence you can have a driving licence go for 40 years without another exam. So really and truly, driving a vehicle is a continual learning process that needs some kind of formal reinforcement. I would go so far as to say they should retest everybody every five years.

Mrs. Linda Jeffrey: How do you feel about some of the impounding regulations and some of the penalties

that we've put in place? Do you have any opinion on those issues?

Mr. Lionel Rudd: If they work. In one case I encountered, I was giving a young fellow a ride who got nailed for going too fast. I think it's good, but education is also good. If you have encouragement to drive safely and you're given a good environment to drive, which means that you have to have well-designed highways and not the frustration that you see created on our highways—

The Vice-Chair (Mr. Jim Brownell): Thank you very much. We'll have to stop there. We'll move over to the official opposition.

Mr. Frank Klees: Thank you, Mr. Rudd, for your very thoughtful presentation. I just want to be on record in support of your concern that we did not travel to Sudbury and other towns. We were scheduled, we did advertise, and it was the recommendation of the government that we not make those road trips.

As the representative for the official opposition on the subcommittee, I was asked to agree not to travel. I did not agree to do that. I felt that if there was not enough interest shown, then we should have increased our advertising and put out the call and encouraged people to show up.

Nevertheless, you've had your opportunity here, and I thank you for it. You've made some very positive suggestions.

I have a specific question I want to ask you, and that is with regard to highway management, if I can put it that way. Actually, it's incident management. Specifically, it goes to the issue of how our police services are managing collisions, and often how they conduct pulling over speeders.

There have been far too many times—even I, just driving along, see an officer having pulled someone over on a highway, and the next thing you know, we've got lights backing up all over the place. We also have examples of police officers being killed in service, having pulled someone over and a collision resulted.

Do you have some recommendations in terms, perhaps, of how we can better manage that, and perhaps how police services should be conducting themselves on the roadside to better manage the roadside stops that are being conducted? Do you have examples of other jurisdictions where perhaps there are some guidelines in place for this?

Mr. Lionel Rudd: I served in the British police many years ago. The practice was that if you were following someone and had to pull them over, you followed them until it was safe to do so and you never got involved in a chase. It seems that here the police will pull people over anywhere. I've seen it in the city of Sudbury, bunting up a lane of traffic.

I would say that the police have two options: Follow the offender until they can pull them over safely, where they can get right off the road or on to a side road, or radio ahead and have a colleague pull them over.

But it seems to me that—I've noticed they don't pull off onto the shoulder as far as they need to. It's nice

when you see the red lights flashing ahead, you get to slow down. Unfortunately, not enough people heed that.

1530

It's a tough one because not all highways are the same. Up north here, we have very narrow roads by comparison to some of the roads you have in southern Ontario; nevertheless, they do seem to—I would make the blanket statement that our police officers see more about police training on television than they do at police school, and they probably tend to feel as though they're a little bit immune, unfortunately with tragic results.

Mr. Frank Klees: Would you recommend that the government consider a specific protocol that police services would be required to follow with regard to roadside stops and so on?

Mr. Lionel Rudd: I think this goes back—

The Vice-Chair (Mr. Jim Brownell): We have about 20 seconds, so it will have to be quick.

Mr. Lionel Rudd: Yes. The British police drivers go through very extensive driver training, far more than they do here. So that goes back to training and practice.

The Vice-Chair (Mr. Jim Brownell): Thank you very much for your long-distance deputation, and thank you for your presentation.

Next, we will have a call for the Ontario Community Council on Impaired Driving. Anyone from the organization here?

MADD CANADA

The Vice-Chair (Mr. Jim Brownell): So we'll move to MADD Canada. We have Andrew Murie, the chief executive officer. I just stepped into the chair here, so I have to figure out what—

Interjection.

The Vice-Chair (Mr. Jim Brownell): You have 10 minutes for the presentation, and we'll have five minutes for questions.

Mr. Andrew Murie: Thank you, Mr. Chair.

Members of the committee, it's a privilege to be here to give you MADD Canada's perspective on Bill 126. When you look at impaired driving, there's been significant progress since 1980, but starting in 1999, the progress has stalled. One of the things that we need to remind ourselves about impaired driving is that it's the leading cause of criminal death in Canada and has a rate of causing criminal death twice that of homicides.

If you can see in my presentation on the red chart, it shows where we were in 1999 and where we are today with the last statistics that we have in 2006, and if you compare 1999 to 2006, there's a slight increase in the number of deaths. In fact, in one study done last year, the incidence of Canadians driving after drinking is actually reported increasing as well. So there are alarming numbers out there to show us that things need to be done about impaired driving.

Traffic crashes remain the single most common cause of death for young people. Approximately 45% of those deaths involving 15- to 24-year-olds involve alcohol.

One of the things is that 15- to 24-year-olds who are licensed to drive had the highest rate of death per kilometre of any age group under 75. For example, 16- to 19-year-olds are approximately nine times more likely to die per kilometre driven than their parents. So when it comes to using impaired driving and youth and driving, there need to be greater things done in restrictions. Further, 80% of fatally injured teenage passengers are killed when travelling with a teenage driver. Again, the risk of teens in cars with teens is really high.

Why do we have these elevated deaths and injuries for our youth? It really comes down to three primary reasons.

Lack of driving experience: Beginning drivers are immature and lack both driving experience and the skills necessary to avoid potentially hazardous situations.

They're risk takers, especially young males. They're willing to drive at high rates of speed, with aggressive driving and lower rates of seat belt use.

Alcohol and drugs: Even though young people represent 13% of the population, they represent 33% of the fatalities when it comes to alcohol, drugs and driving.

Turning to look at impaired driving in Ontario: Despite those gloomy numbers that I've just presented, I think Ontario has done a really good job making progress on impaired driving. In fact, in our Rating the Provinces report card, of which we've had three since 2000, Ontario placed first in 2000 and second in 2003 and 2006. Ontario has one of the lowest rates of impaired driving in Canada. Certainly the province has provided leadership in pursuing legislative reforms to reduce the number of impaired driving deaths and injuries. There's a chart there which gives you some relationship with how Ontario is doing in comparison to the other provinces and territories.

I think what we're down to is three things: Progress is stalled, the status quo is no longer acceptable, and it's time for progressive solutions. In Bill 126, we're very happy to see a number of things that were in our Rating the Provinces report card and our youth and road crash study. Two of the things that have already been done in Bill 203 are the mandatory alcohol interlock program for all convicted impaired drivers, and increased sanctions for 0.05 administrative licence sanctions. Those things have already been done, and we thank you for that. They're not completely implemented yet, but they are about to be implemented over the next three months. So we look forward to that.

The other things are the comprehensive graduated licensing programs, mandatory supervised driving, restrictions on teenage passengers, restrictions on night-time driving, restrictions on high-speed roads, and increased sanctions for violations of the graduated licensing program. Bill 126, again, contains a lot of these aspects. The most important thing that Bill 126 contains is the zero BAC limit for age 22 and under. That one piece of legislation will save more young peoples' lives than anything else you can do as parliamentarians. So thank you for that. It's very, very important.

I also think Ontario is showing very progressive leadership in your vehicle sanctions. The seven-day vehicle impoundment program, if somebody's driving a vehicle without an alcohol interlock system, is charged with impaired driving or refusing to provide a sample or is driving with a suspended licence: These things are absolutely crucial. We know that the impoundment program has worked with speeding and it will also work with impaired driving and those who drive with a suspended licence. Again, these are very progressive. You are the first province to do those things. It will make a difference once those are implemented.

I would like to say, on behalf of MADD Canada, our board of directors and the victims of impaired driving, that Bill 126 represents a significant opportunity to reduce deaths and injuries caused by alcohol and drugs in Ontario. With that, I'd like to say thank you.

The Vice-Chair (Mr. Jim Brownell): Thank you very much. We have about four minutes for each party. We'll start with the official opposition.

Mr. Frank Klees: Thank you very much for your presentation and for the good work of your organization. I know that you've constantly provided input to the government of the day and been on the leading edge of developing reforms.

I have a question for you with regard to vehicle sanctions. We had a presentation earlier today urging the government to increase the length of the impoundment significantly. I'd be interested in your views of this. Do you feel that the seven-day impoundment program is sufficient or do you feel that that is something the government should consider amending?

Mr. Andrew Murie: All I have to go on is the seven days for the speed racing program, which I understand, through the OPP and the statistics provided to me, have made a significant contribution to reducing deaths and injuries. It appears to be the right length. I don't think there have been any kinds of comprehensive studies done to figure out what that right period of time is. I think it's a good starting point. I think things that we have looked at in the past—for example, for the administrative licence suspension, the model that we developed was seven days, because it's enough to make a significant difference in a person's life.

1540

I think that's a good starting point, but I also think, let's look at it, and if it needs to be longer to get the message across, we certainly wouldn't be opposed to it.

Mr. Frank Klees: With regard to the zero tolerance, certainly I'm a strong supporter of that, as are the other colleagues in the official opposition.

There are those who feel that if it's going to be zero per cent and zero tolerance for young people up to the age of 22, why not extend that? If you're going to drive, you shouldn't be drinking at all. What's your view?

Mr. Andrew Murie: Again, I think that we're starting with Bill 203. We have three days in there for a 0.05 licence suspension. Forensic science is very clear that 0.05 and above is clearly not a blood alcohol level with

which you should be operating a motorized vehicle. Clearly, after any kind of alcohol consumption, there's a deterioration of motor skills to operate a motorized vehicle.

I think we go there. I would wish that in Bill 203 it was seven days, which the model called for. I think that's a great starting point, and then we basically move it from there.

Certainly, that model called for seven days, 30 days, and 90. Ontario came up a little bit short, but again, we'll see if the shortened periods make a difference.

Mr. Frank Klees: My last question: When the minister made the announcement of this bill, he mentioned another measure, and that was the restriction on the number of passengers in a vehicle for a young driver. I understand that MADD supported that original proposal. As you know, the minister has withdrawn that. Could you comment on the wisdom, in your opinion, of withdrawing that? And is it still something that MADD would like to see happen?

The Vice-Chair (Mr. Jim Brownell): A short comment. You have about 20 seconds.

Mr. Andrew Murie: Sure. I gave the comment that 80% of people are killed when a teen occupies the car—so, absolutely crucial. Maybe it went too far, but it shouldn't have been cut out completely. There should have been greater passenger restrictions in the legislation.

The Vice-Chair (Mr. Jim Brownell): Thank you. Moving to the government side, Ms. Jeffrey.

Mrs. Linda Jeffrey: I want to thank you for being here. I think MADD is one of the highest-profile anti-drinking-and-driving organizations in North America, and the credibility that you bring to any consultation that you do, based on the research that you bring, certainly helps. Certainly, you've been part of a lot of consultations, and it's shown, so thank you for your persistence. When you're consistently on message, it really helps us as a government to know what we should be doing.

Mr. Andrew Murie: Thank you.

Mrs. Linda Jeffrey: I guess I wanted to ask a little bit about your report card that you did on all the provinces. I'm hoping we'll do better the next time. I'd like to see us with a higher grade. The alcohol ignition interlock program was a big focus of your program. What other areas were you focusing on that you thought, besides the blood alcohol and the ignition—were those the top two issues you focused on?

Mr. Andrew Murie: There were three things. There was zero BAC for young drivers. There was the mandatory alcohol ignition interlock program. The third thing was to fully implement the administrative licence suspensions for 0.05.

Mrs. Linda Jeffrey: How does MADD feel about some of the penalties with regard to the fines? Do you feel that that's an impediment to—do you think the increased fines that are being placed in this legislation, or proposed, will have an impact? Or is it the impoundment that you feel is the real deterrent?

Mr. Andrew Murie: The fines are good. It's a denunciation of the activity. At some point, draconian measures don't work; we know that. So it's not about being tough; it's about being smart.

I think that there are two main things that you do. You have to create the perception that the chance of being caught, if you choose to drink and drink, is very high. The second thing is, for those who persist in doing it, you have to deal with the vehicle sanctions. The licence suspension and fines at that point make very little difference on that type of individual.

Mrs. Linda Jeffrey: I would agree with you about the blood alcohol level. When you look at the statistics in the US and you look at them here, it's clear that we're going to see, I believe, a dramatic reduction in fatalities if the blood alcohol level is zero. So thank you for bringing that forward. Thank you for your persistence and we hope you'll continue to keep us focused on our report card and doing better. Thank you very much.

The Vice-Chair (Mr. Jim Brownell): Thank you for your deputation this afternoon.

ONTARIO COMMUNITY COUNCIL ON IMPAIRED DRIVING

The Vice-Chair (Mr. Jim Brownell): Next, we have the Ontario Community Council on Impaired Driving, Anne Leonard, executive director. Welcome. You have 10 minutes for your deputation. Any time that remains, we'll be add it on to the five minutes, because there will be five minutes after your 10. You can begin.

Ms. Anne Leonard: Thank you for that. I haven't actually had a chance to practise what I'm going to present to you, so I'm not sure if I'm going to be under 10 minutes or not.

I want to take a minute just to tell you about our organization. The Ontario Community Council on Impaired Driving has been around for just over 20 years. Our purpose is to provide a meeting space for fighting impaired driving in Ontario. We have a membership of about 70 to 75 right now, and those members will be groups as big as the Traffic Injury Research Foundation, Ontario Students Against Impaired Driving, the Student Life Education Co. Inc. Your own Ministry of Transportation and several other government people attend our meetings as stakeholders. They don't vote on our issues, but they do like to come to meetings and apprise us of things and get our feedback.

I should say we have groups as small as the Wawa Healthy Lifestyles Coalition. No disrespect to any of our smaller groups; they're very effective in their own communities, but Wawa Healthy Lifestyles, for example, closes down in the summer months because of budget constraints. So we have the big, and the small but mighty.

Our charity runs several programs. We run the Arrive Alive, Drive Sober campaign, which just celebrated 20 years last year. We operate a large fundraiser for our organization called Drive Straight, and we also offer Drive Straight as a program for golf courses, if they want

to do something interactive at golf tournaments to educate their members or their tournament players.

We host Ontario's Countermeasures Conference. Last year, we hosted the 17th Countermeasures Conference, with about 137 delegates. Minister Bradley spoke at the conference and so did Commissioner Fantino.

OCCID is now home to Operation Lookout. Operation Lookout is a road safety program that asks all road users to call and report an impaired driver as a crime in progress, and that program has operated since prior to 1992. I would say it probably started around 1989.

We manage our operations with a number of committees. We have a communications committee, a conference planning committee, a Drive Straight committee, a marketing committee and a policy and legislative review committee. Our committees and myself, our executive director, report to a board of directors of 10. That board is elected by our members annually. OCCID meets about four times a year. Our last meeting was November 2. We had 32 members and stakeholders in attendance.

With that in mind, you'll know that we've had a chance to look at the two bills, and I have made note of some of the things that our members and stakeholders support and do not support, keeping in mind that we are not all of one view. Our members are allowed to have their own views on different issues, and that's not against any of our constitutional bylaws. Typically, what you'll see is that we will move forward with areas where we have good consensus.

With regard to the G1 length and extending the period of time that it would take for a young driver to obtain a G1 or a G2 licence or become a fully licensed driver, there were no members or stakeholders within our group who had any objection to that.

Regarding the G1 and G2 BAC level and also the zero blood alcohol level for drivers up to and including the age of 21, there were no members or stakeholders who had any opposition to that—and for all the reasons that Mr. Murie cited in his deputation.

Sanctions for violating GLS restrictions: We're a little bit tough. We're big on sanctions for people who fail to obey the laws. We would be very supportive of greater sanctions—demerit points, 30-day suspensions, everything that was cited in there was fine.

1550

The G2 passenger restrictions—and I know that this is an area of contention—basically, what was proposed was an extension of the midnight to 5 a.m. We understand that this proposed restriction was removed on December 8, 2008. We note that some of our member groups do object to this. They did not want to see the restriction extended. That was primarily from our groups that work with youth, not surprisingly. I will say also, though, that from groups who operate in more rural areas, they saw that as a real impediment to youth getting around, getting to work, wherever.

Not all of our groups objected. One or two of our member groups were in agreement with that restriction, but for those who did object, I made a list of the issues

that they cited. I want to note, because I know this is very meaningful for MTO and I know they really believed in this change, that we would have liked to have supported it more fully. For the groups who didn't support it, they cited these reasons:

It could mean more young drivers on the road anyway, so instead of having one driver with four passengers, you might have two drivers with one or two passengers. They thought that it was bad for the environment.

They felt that most youth make good choices. They felt that you were taking something away from youth that you had given them, that they have now. They felt that maybe there was enough other legislation that's coming in—the zero BAC, the escalating sanctions, the longer entry process—that there were layers of legislation.

They felt that it would be hard to enforce, that youth may just lie about who their passengers are, “It's my step brother,” that kind of thing, and that it would be hard to enforce. Also, they felt that it was urban-based, and it would be difficult for some areas of Ontario.

Regarding new measures for suspended drivers, we strongly support measures for offenders who fail to comply. So people who don't get back into the legal licensing system properly, don't do their Back on Track, don't get an II device, drive when they're suspended, whether it's their 12-hour, their 90-day, whether it's at the end of their one-year suspension, we'd like to see those drivers dealt with in a more significant way. We strongly support a seven-day vehicle impoundment for drivers with an II device not properly installed. We support a seven-day vehicle impoundment for drivers charged with over 0.08, and we support a seven-day vehicle impoundment for vehicles operated by a driver who just otherwise hasn't come back into the system.

To answer one of the questions Mr. Klees posed earlier around why seven days and should it be longer, I think what the ministry has found—and I'm not speaking for the ministry; I'm sure they can speak for themselves. But I do know that in some jurisdictions, if it's a 45-day impoundment, for example, sometimes people don't pick their cars up, so the seven-day impoundment is meaningful.

The OPP reported 43% fewer deaths on the roads that they patrol in the first year of your government's speed enforcement—the “50K over” legislation. I think they impound 23 vehicles a day. So you want to see all those vehicles being picked up after a week; you don't want them all sitting around in an impound lot.

We also believe that the costs for bad drivers should be borne by those bad drivers. We don't think that the people, the government or the taxpayers should pay for those bad drivers. So fees, fines, administrative monetary penalties—whatever you call it—vehicle impound costs—I know that sometimes finances are tight for people, I understand that, but if you commit these offences, you have to be willing and expecting that there will be consequences.

The really dicey one though, I think, is the second test. I'm not an expert on it, I'll tell you that straight up, but I

will offer some thoughts around the second test for the “Warn” range; that was passed in Bill 203, almost two years ago. There's an amendment in section 48 to provide that the second breath test could be done on a second roadside screening device or an approved instrument. We support changing that amendment to provide that the second breath test could be taken on a second roadside screening device or simply a device, which I assume is going to be too vague. Because if a police service has to take someone back to a station and do a second test on an Intoxilyzer, you're really going to have a lot of challenges. Some of the discussion I've had with some colleagues also has suggested that we need to be really careful. Ultimately, some of the comments are that we should have no second test at all and not allow for a second test at all. The second-test concept, we believe, is based on a more historic time when our equipment was not as accurate. Today we don't need to apologize for the accuracy of our equipment, and chances are, I believe, that our equipment could do an adequate first test.

We do suggest an attempt at establishing an exact tracking point. Today we're not quite certain how many roadside suspensions we have. We have a guesstimate, I read somewhere, of 40,000 to 50,000. That's a big gap. It would be nice to know a closer number on that so that, going forward, we'll know if we have more or fewer roadside suspensions being issued. This may already have been dealt with even within Bill 126, but we do need to be sure about the whole concept of a second test. Are we obliged to tell someone that they are entitled to a second test, or do they have to request the second test? And they have to request it, then, forthwith, i.e. immediately, not you give me one test and I come back in an hour and a half and say, “Well, I want my second test.” We need to make sure that that can't go on.

I will only comment in one regard on Bill 118. Distracted driving is not at all our area of expertise, but one of our member groups did ask that I add our voice to a comment about carpooling, which I believe is covered somewhere in Bill 118, carpooling and the ability of my daughter to ask her passengers for funds towards gasoline. She did a lot of that going to university in Maine, driving back and forth to Ottawa and Toronto two years ago, so getting some money for gas is really helpful.

How did I do?

The Vice-Chair (Mr. Jim Brownell): Thank you very much for your deputation. We do have about four minutes for each party. We'll start with the official opposition.

Mr. Frank Klees: Anne, welcome. Thank you for the good work of your organization over the years, and especially for the education programs that you do with young people across the province. They're very effective.

I just wanted to ask you about the issue of cellphone use. I know that you indicate it's not your direct area, but the fact that there are no demerit points goes to what you were talking about in terms of consequences for infraction. As it stands now, there would be no demerit points for a conviction under that legislation, and we question

why. If in fact the government is serious and really does believe that these distractions cause accidents and are a serious issue, then why would there not be an appropriate consequence? Your opinion?

Ms. Anne Leonard: I honestly can't offer you a valuable opinion on it, because it's not an area that we've studied. I have to say I'm not really thrilled with some of the comparisons, not that anyone in this room has made them, but over the years people have made comparisons to cellphone use being as bad as drunk driving. We don't agree with that 100%. We understand the risk that people pose when they're operating a vehicle and not paying close attention, but a drunk driver is a greater risk than someone operating a cellphone. I don't mean to—I know people do die while driving and operating their cellphones. I know there have been one or two cases where there has been some injury, whatever cause, but I wouldn't be able to really offer a valuable opinion. Sorry.

1600

Mr. Frank Klees: Okay.

Public awareness is so important, and education is so important, especially amongst young people. Your organization does that. I'm just interested: In terms of the government's funding—I know that historically there have been funds available to you through the Ministry of Transportation—how is that funding level? Has it been increasing over the years?

Ms. Anne Leonard: I don't think we have any complaints about funding from the ministry.

Mr. Frank Klees: Would you like more money from the Ministry of Transportation?

Ms. Anne Leonard: Who doesn't want more money? I will tell you something, though. Of course, we do a lot of radio and television public service announcements, and we do a lot of other printed materials. Recently we're a little nervous to print anything because the legislation is changing.

I'm glad you raised public awareness, because I passed around this package with my presentation, and these are some of the materials we share to raise awareness. You'll see that we took the time to turn your booklet inside out to say, ".05 and you don't drive," because our studies have found that only 51% of the people we surveyed are aware of the existing 0.05 legislation, and they think it might be demerit points, it might be a fine or it might be nothing. So we're keen to help the government get that message out there.

Mr. Frank Klees: I think what you should do is make a specific proposal to the Ministry of Transportation on how you can help increase awareness through this kind of printed material. Let them know exactly how much money you need. We'll put the pressure on them to make sure that they get the money through to you. Better you than the Ministry of Transportation doing it, because you do a better job.

Ms. Anne Leonard: Well, thank you for your kind words.

The Vice-Chair (Mr. Jim Brownell): Thank you very much. Next we'll have the government side.

Mrs. Carol Mitchell: Thank you, Chair. Thank you very much for your presentation today. Just a quick question, Anne, With regard to your comment here on the written report, which says, "At least one of our members supports the allowance of carpooling and the reimbursement of gasoline costs...." Then you went on to talk about your daughter. Was there no more support—I mean in your presentation, your verbal—from within the committee other than one member? And if so, what were their concerns?

Ms. Anne Leonard: Yes. Understanding that our membership includes the public health units in Belleville and Kingston and Ottawa, they just didn't share it through us. They may have sent a letter. We have 70-plus groups and members, so they may have sent their own letter in support of, or not, and I wouldn't necessarily be aware of that today.

Mrs. Carol Mitchell: Okay, so it's not whether or not there was support or no support. It's just that it was not raised as an issue to come forward today on your behalf.

Ms. Anne Leonard: Right.

Mrs. Carol Mitchell: Thank you for the clarification.

The Vice-Chair (Mr. Jim Brownell): Ms. Jeffrey.

Mrs. Linda Jeffrey: A quick question: Clearly, you know how to get through to people to get your message across. Certainly we're going to be working really hard, should this legislation pass, to get a public education campaign working, trying YouTube and cinema ads, I'm thinking. Do you find that radio works? Do you have any suggestions as to how we should proceed? What do you find is the most effective way to get through to the audience that we likely would want to target?

Ms. Anne Leonard: I have to start by saying kudos to your Ministry of Transportation staff right now. You've got a wonderful road safety marketing office. They work very closely with their members. They listen, they ask, they explore. So we're already having dialogues with some of the staff there about PSAs and radio. At least one of your staff there is looking at viral media and trying to sort out what you do with that.

It is a new age out there, right? So we're seeing television—we're getting more and more time because other people aren't buying that time. That's part of why we get more time. That's not lost on me. Obviously, there are other ways to get the message out there. Blogging and viral media are what we're looking at as well.

We have a couple of events planned. We've got a radio PSA planned and I think almost ready to go. We've got two television PSAs almost ready to go, maybe for May 1. They should be out there.

Then we're doing a print piece to include in our Passport to Safety that would say what the consequences are at 0.05, just because we do find that that's a big deal, that people don't know that already exists. That's a problem. Be aware, if they think it doesn't exist and now it's three days, seven days, 30 days, you might see some outcry there once they connect and realize that this is the

new day for roadside suspensions. But yes, we are working, and we could always use more money—right, Frank?

Interjection.

Ms. Anne Leonard: He's lost now. Anyway, we're working with your ministry. We'll get Mr. Klees to record a news spot.

Anyway, your people are right on top of it and very aware of the challenges and opportunities out there.

Mrs. Linda Jeffrey: Thank you for all the good work you do.

The Vice-Chair (Mr. Jim Brownell): Thank you very much for your deputation.

CANADIAN COURIER AND LOGISTICS ASSOCIATION

The Vice-Chair (Mr. Jim Brownell): Next we have the Canadian Courier and Logistics Association.

Mr. David Turnbull: Good afternoon, everybody. For those of you who don't know me, I'm David Turnbull. I'm the president and CEO of the Canadian Courier and Logistics Association. I have to tell you, since I last sat in those seats, they're much more comfortable, the ones that you've got nowadays. It's good to see you all.

I'm accompanied today by Howard Ipp, who is the CEO of United Messengers, and he's a director of our association; Rick King from UPS; and he hasn't arrived yet, but Kirk Serjeantson from Purolator, if he comes in a little later.

The Canadian Courier and Logistics Association is the trade association representing time-sensitive delivery service company operations of all types and sizes across Canada. In today's just-in-time environment, courier and messenger companies are an absolutely vital component of the economy. StatsCan reports total revenues for couriers and messengers in Canada is in excess of \$7.8 billion annually, and this translates to the movement of approximately two million packages per day, of which approximately 45% are in Ontario. CCLA member companies employ close to 35,000 people and utilize more than 12,000 delivery vehicles, numerous aircraft and over 500 operational centres across the country.

The Canadian Courier and Logistics Association, let me say, is in support of the proposed aims of Bill 118 to improve safety on Ontario roads. I know that Mr. O'Toole has worked very hard on this issue for a lot of years. I congratulate him and I congratulate the government in coming forward with this.

The Canadian Courier and Logistics Association is behind Bill 118 in its efforts to improve safety on Ontario roads. It is, however, essential that exemptions are made for hand-held wireless communications devices used for logistical purposes to dispatch, track and monitor commercial drivers. Such exemptions need to be incorporated in the supporting regulations.

The courier and messenger industry depends on communications with personnel operating their vehicles at all times. Safety concerns are always paramount for our

industry and our industry has a good safety record, as drivers are professionals and used to operating in varying driving conditions.

The industry consists of two main components: One is the same-day or local messenger service, and the other is the next-day or later delivery. Both segments use hand-held devices of various types.

Let's start with the same-day messengers: These are dispatched throughout the day and often provide a direct, point-A-to-point-B service. Monitoring the location of a messenger at all times is an essential component of this to determine the nearest vehicle to a requested pickup, much like you might ask the taxi to pick up something on the way. This segment utilizes a mix of voice and GPS-enabled communications. Many use hand-held two-way radios, some of which are combined—

Interruption.

Mr. David Turnbull: I do apologize. I'm going to switch this off.

Interjection: Mr. O'Toole was attempting a demonstration earlier.

Mr. David Turnbull: I didn't use it. It's a set-up, I know.

The same-day segment utilizes a mix of voice and GPS-enabled communications equipment. Many use hand-held two-way radios, some of which are combined with a cellular phone function, some of which are marketed under the brand name—you might know the brand name—Mike. Most require a button to be depressed to respond to dispatch calls. As much as possible, dispatch is done while parked. However, the ability to locate and/or dispatch on the move is essential both from a competitive and an environmental point of view.

1610

Response time is of the essence to our customers. When I speak of environmental responsibility, it dictates that the messenger who is closest to a requested pickup be contacted on the move, eliminating the need for two vehicles to be dispatched. I would compare this very much with the taxi industry that sometimes makes pickups of this nature. From time to time, a direction to a difficult-to-locate address is requested from dispatch or the customer while you're unable to stop due to parking restrictions. Particularly in some of the downtown locations, there's nowhere that you can park. You have to—and you're trying to find out where it is. Some addresses are very obvious, others are not.

The next-day component of the industry is represented normally by the large national and global companies and they typically operate on a predetermined route for deliveries but receive requests for non-scheduled pickups. Many of these companies utilize hand-held tablets which dispatch in text form. Employees are instructed not to respond while moving but are permitted to respond at traffic lights. This ensures that a second vehicle is not required to be dispatched. Many of these situations described as "same day" apply to the next-day operation as well.

Canada has very efficient and safe courier companies which operate in a highly competitive and low-margin business. At this time, the industry is experiencing significant reductions in volume. I want to stress that this means that expenditure on new hands-free equipment at this time would be a significant burden that most companies simply could not afford.

The CCLA has received assurances from MTO that exemptions for logistics purposes to dispatch, track and monitor commercial drivers would be addressed in supporting regulation. I'd like to take this opportunity to thank Minister Bradley and the MTO staff for very good consultations prior to the introduction of Bill 118 and the recognition of the need for such exemptions in the regulations.

I do want to, however, emphasize that the wording of such exemptions is critical to the maintenance of a strong and competitive courier sector. CCLA and its members are committed to working with the ministry to arrive at clear regulation that recognizes the broad spectrum of communications equipment employed in the courier and messenger industry.

The CCLA members are committed to working with all levels of government to create safe, efficient and environmentally responsible solutions to time-sensitive delivery of packages to its customers.

Thank you very much to the committee for hearing me, and I'm happy to respond to any questions.

The Chair (Mr. David Oraziotti): Thank you very much, Mr. Turnbull, for your comments and for sharing the group's views. We'll go to the members of the government. Mrs. Jeffrey, you can start off; you have about three minutes.

Mrs. Linda Jeffrey: Thank you, Mr. Turnbull. I have two quick questions; I hope I can get through both of them. I don't know anything about a hand-held tablet. Can you tell me why that should have an exemption? It sounds like it's a distracting, bigger BlackBerry. Although your driver has been told to stop at a traffic light to do it, is it a distraction to your driver? Why would you need an exemption?

Mr. David Turnbull: First of all, no, it's not like a BlackBerry. They need it to be hand-held so that they can take it to the door and get somebody to sign for the delivery, but I'll turn that over to Rick King from UPS, whose company utilizes this equipment.

Mr. Rick King: I'm happy to answer that. When a package delivery driver is on his route, from time to time an on-call pickup will take place, which will flash on the screen of his DIAD, as we call them at UPS, and other companies have different names for the same type of equipment. Essentially it permits the driver to take a look and see where the next pickup may be. If that's restricted to only standing still and off the road itself, it may require a driver to overshoot a pickup quite significantly in terms of distance and time, leading to customer dissatisfaction, excessive fuel usage and perhaps the necessity to street another vehicle in order to effect pickup on that one day. Does that answer your question?

Mrs. Linda Jeffrey: Would it be as big as a piece of paper? Would it sit right beside him?

Mr. Rick King: In hindsight, I should have brought one for you.

Mrs. Linda Jeffrey: I'm just wondering: Does it sit beside him? I'm just thinking of the distractibility of the driver. If they're listening to radios and mikes, is this flashing beside them? I don't know how it works, so I'm trying to understand how physically—I understand why it would be easier to have it, but it is still a distraction for the driver.

Mr. Rick King: It's not actually a distraction so much as the driver needs to look at it while in motion. If you picture the dashboard of a package delivery vehicle, there is what we call a DVA, a DIAD vehicle adapter. You take the DIAD that you have in your hand like this, and you sheet a package, and when you get back to the car, you slide it in. If a call comes out to the driver, a little light will flash on the DVA indicating that there may be a message there that would require him to deliver a package or take some other action.

Our training routines call for the driver to wait for a safe opportunity to look at his DIAD, which may be at a red light or at the next stop. If you can envision a rural driver who is 10 kilometres between roads, the spirit of the legislation, I think, is such that it's meant to stop people from talking on the phone while driving, but we want to make sure that when he approaches the red light, he has those five seconds to say, "Okay, I need to stop there," as opposed to being 10 kilometres up the road and then having to swing back.

Mrs. Linda Jeffrey: Mr. Chair, could I ask one quick question?

The Chair (Mr. David Oraziotti): Your time is pretty much up, so we're going to have to move on.

Mr. David Turnbull: I'm happy to field it afterwards if you want.

The Chair (Mr. David Oraziotti): Members of the opposition? Mr. Klees.

Mr. Frank Klees: Welcome, Mr. Turnbull, a former Minister of Transportation. It's nice to hear your voice. When I hear it, it actually makes me want to go and vote. Mr. Turnbull was also a former chief government whip.

Mr. David Turnbull: I was usually saying, "Get into that committee."

Mr. Frank Klees: "Get into that House."

Your presentation is very helpful, and I see that you actually do have a commitment, I understand, from the ministry that your industry would, in fact, get an appropriate exemption for the kind of technology that you're proposing. We've had the discussion about this, and I can confirm for you that the official opposition will certainly be supporting those amendments. I assume that perhaps you have some wording that you would like to see, and if you would get that to us, we'll certainly work with the government to ensure that that is put in place.

As for the tablet itself, I'm sure the parliamentary assistant would probably be open to spending an afternoon with one of your drivers so that she can personally

report back to us that she's comfortable with that exemption.

Interjection.

Mr. Frank Klees: I won't look for a response from her, Mr. Chair.

Thank you for helping us understand. What we certainly don't want to see, in this economic environment, is regulation that kills jobs and businesses. We have enough of those coming down through various pieces of legislation by this government. We don't want to see any more, so thank you for your presentation.

Mr. David Turnbull: Thank you. We see this as a good piece of legislation aimed at safety, and we're very supportive, as an industry, of that.

I do want to just mention that I only became aware today that apparently you're also covering—I believe it's Bill 126—handling the suspension of drivers' licences and the seizure of vehicles. It is of concern to our industry, and I haven't prepared anything on this. Essentially, when it's express delivery, people get a little bit annoyed if you tell them that the delivery is blocked up somewhere in a seized vehicle.

1620

Obviously we're concerned and we want to be able to do due diligence, but on a day-to-day basis it is important that the word of the driver who's employed or is a contractor to our industry is good enough. We'd be prepared to say that if you wanted us to do due diligence by checking that licence, say, twice a year, that the company undertake it, that's something you could consider. But the idea of seizing a vehicle full of packages is something which is just abhorrent to our industry. I hope you understand that there has to be some adjustment of that.

We want to do our part in making sure that people are keeping their licence up, but I believe there are aspects of it—that the licence can be seized for all kinds of non-criminal activities, and that obviously is a concern because we just have to take the word of the driver.

The Chair (Mr. David Orazietti): Thank you very much, gentlemen, for your presentation. That concludes the time.

Mr. David Turnbull: Thank you very much. Cheers.

STUDENT LIFE EDUCATION CO. INC.

The Chair (Mr. David Orazietti): The next presentation, the Student Life Education Co. Inc., are they here? Good afternoon and thanks for being here today. You have 15 minutes for your presentation. Just please state your name for Hansard purposes, for our recording secretary, and you can start when you like.

Ms. Frances Wdowczyk: Great. Thank you very much. My name is Fran Wdowczyk, and I'm the executive director of the Student Life Education Co. Thank you very much for the opportunity to come and speak with you today. It is in fact a privilege to have an opportunity to have my voice be heard on behalf of the college, university and high school students that our organization has worked with for the past 23 years.

I'm here today to speak in favour of legislation regarding the amendments to the Highway Traffic Act prohibiting the use of devices with display screens and handheld communication. Quite frankly, the Student Life Education Co. works with high school students to empower them to make healthy choices when it comes to issues around safety with alcohol, safety with distraction, preventing injuries and making a difference so they can continue to be vibrant members of our community and then go on to in fact make a difference when they leave school.

The legislation around distracted driving is exactly what we've been hoping for. It talks to young people about something that is preventable. The stats are the stats. I'm not here to tell you about them. I'm trying to tell you today about what we know to be true about their behaviours. With a strong education campaign, these changes can make a difference.

Young people are novice drivers. They want to have fun. They're here for a good time. They don't think that they themselves will be injured, will die or will harm someone else. It's clear; their hearts are open; that's who they are. So we must take preventive steps by legislating, enforcing and educating in this area.

The Student Life Education Co. believes that with a strong program put on by the Ministry of Transportation to educate people and partnering with our enforcement, we can get the message across to young people now, make a difference now, so that in the future they will take that message forward everywhere they go: to college and university, and then out into the community where they themselves may one day become parents. This will just make our roads safer for everyone.

We know that young people are hungry for it. We run a day called the National Students Against Impaired and Distracted Driving Day; we've been running that for over 10 years. In fact, we have support from many, many MPPs right now in their communities on finding ways to educate young people around the issues of distracted driving.

When I look further to the legislation, I'd like to talk about the carpooling part of the legislation. We represent colleges and universities across the country and, in fact, most of those are located in this province. Students love this change. They carpool; let's be very frank about this. This is how they get along. They look to support each other with rides home, they're environmentally savvy, they want to be able to do this legitimately, and it's important change that we're pleased to say our members feel will support them and generations of students to come as they enjoy their life and go away to school. It's important to recognize that no one really even recognized that perhaps they were not supposed to do what they were doing, and so when we put the question out it was a bit of a confusion and some delight that perhaps now they could go ahead and do it and they didn't know they were doing something wrong. So from this point of view, we do feel that the changes here are important to make, but it's also important to recognize that perhaps they

weren't obvious to those people who they're most directed towards.

The last bit of information I would like to say we're very pleased to talk about is the under-21 BAC issue. For many years we've been watching young people injure themselves or take their lives or the lives of others unnecessarily—novice drivers, perhaps a little bit unsure of their consumption patterns and level. We've watched communities just be torn apart as a result—university and college communities, towns, municipalities—and we know from our interaction with our youth through List-Serve, Facebook, Twitter and so forth that this particular issue being addressed this way is proactive and positive. This is a generation of people who do believe that you should not drink and drive. Unfortunately, they are still young and sometimes make poor decisions. So this, coupled with a comprehensive education campaign that we know the Ministry of Transportation has been successful with in the past, we believe will in fact save lives, not only of those high school students we focus on, but of our college and university people who are just about to enter into the workforce and into communities.

We're very pleased to have been able to speak to you today on these issues, albeit briefly. I'm happy to answer any questions that you may have. More importantly, it's really important to acknowledge that these changes are changes that have been discussed for many years and it really is a privilege to see them moving through the system. Thank you so much for your time today.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Mr Klees, questions?

Mr. Frank Klees: I appreciate the work that you do with young people and we agree with you that the earlier we start the education program, obviously, the better. I want to just follow up with you on the carpooling issue—

Ms. Frances Wdowczyk: Please.

Mr. Frank Klees: You're overjoyed by that, of course. We don't want to be negative about it, but there are some important issues that we're going to be looking to the government to clarify for us, because there's the issue of liability here. It's a function that we're not sure has been dealt with by the government. We're not sure, now that this has really formalized as a carpool, what insurance companies will do with this and what young people who are taking on the responsibility of being the driver of a carpool and accepting money in exchange—what the implications may well be if in fact there's an accident, there are personal injuries and so on. In that something that has come up in discussions at all?

Ms. Frances Wdowczyk: Yes. In fact, it has come up, and predominantly it has come up because they didn't know that they were issues. So I do believe that young people are perhaps naive in the realm of what may be required of them legally. I think everyone appreciates that if this goes through, there will now be public and publicized guidelines that they would be expected to follow in order to do it. So it's no longer, "I don't know, we all jumped in the car. I gave Joe some money for gas. He dropped me off in Kingston and then he went on to

Toronto, picked up Susie, they went to Windsor and then Josephine's brother was there," etc. This is sort of how their life works. I think they're not concerned, but I suggest that perhaps their parents may be.

1630

Mr. Frank Klees: If not their parents, then perhaps their insurance company will be.

Ms. Frances Wdowczyk: At the very least.

Mr. Frank Klees: We're just simply saying that we understand the intent but, as with many of these things, there are unintended consequences. We are asking and will be asking the question of the government, just how much have you thought this through? And what is the potential fallout, the potential impact, the potential cost of this measure? To this point, we haven't had any responses. I'm sure the parliamentary assistant will have some answers for us. I know she won't respond now and I won't ask her to.

But with regard to the education that you're doing, could you just take back that, as MPPs, we appreciate the initiative. We want to be involved in any way that we can, and if we could get some more lead time from your organization, I think you'd have the participation, perhaps, of many more of us on that initiative.

Ms. Frances Wdowczyk: Thank you, Mr. Klees. We agree 100%.

If I could just finish one thought about the insurance companies, too, with the young people: I think the challenge really will be around that carpooling issue, that they may continue to do it regardless. Enforcement becomes kind of like residence hall rules for some of them. Underage drinking is illegal, but if you close the door, don't make any noise and don't get caught, then who's really going to—I think that's the reality of how they think. It would be an important education campaign. It would be in their best interests—and again, I'm not talking about standard education but really dialogue, so that they appreciate this—because if it does go through, it is in their best interests, of course, and if it doesn't, then they'll need some understanding, because they are doing it.

Mr. Frank Klees: Thank you.

The Chair (Mr. David Orazietti): Ms. Mitchell?

Mrs. Carol Mitchell: Thank you very much for your presentation.

Just to continue further with some of the things that Frank was saying, I would think that would be a conversation that you would want to have with the students as well. It's important for them to understand the risks when they say, "Let's pick up Bobby and Joe and Sue and Anne." So, quite frankly, I think it is a conversation, but certainly in the area where I'm from, carpooling is something that we look at with very favourable eyes.

I'm just curious: Did you talk about extending the G1 length? Did you talk about that with the students?

Ms. Frances Wdowczyk: We've talked about several elements of the bill on an ongoing basis on various networks that we have. The extending of the G1 length got caught a little bit in the earlier kaffuffle of passengers

and that type of thing. Once that subsided and we reissued our questions, we found that there wasn't a lot of feedback about the length of the licensing, oddly enough. It wasn't seen as a big change for many of our folks. We do speak predominantly to many young leaders in communities, though, so I have to acknowledge that perhaps we weren't talking—they were asked to look at their own high schools, in their own groups, and go with the trickle-down theory in that respect. It wasn't seen to be an issue; it wasn't a problem. They felt that as long as they could practise and could get out there in those times, that was important to them.

Mrs. Carol Mitchell: So the young leaders supported that part but not so much the passenger—

Ms. Frances Wdowczyk: The passengers turned out to be a large discussion.

Mrs. Carol Mitchell: Okay. Thank you.

Mrs. Linda Jeffrey: A quick question: You're talking with high school and post-secondary students. Do you have any suggestions on how we can approach our public education campaign? What do you find to be the most effective way to get through to your audience?

Ms. Frances Wdowczyk: Oh, my gosh. Don't I wish I knew that.

We use a variety of mechanisms, because the cohort is a bit of a moving target. So as much as we enjoy things like Facebook and Twitter and all the social networking, for a general education we do find that there is still a place within the school system, especially for high schools, right within courses there, to educate people through awareness campaigns. Guidance counsellors are very open to having you come in to do that, whether it's through peer education or through coming in.

The college and university market, though, is a little bit different, and we do have great support from the residence people, the people who do the parent orientations. That's where I think this would be very well suited, to put something in a mailing or onto a website. Those partnerships can be established very quickly. Especially around the carpooling and other things, that kind of information is very helpful. Parents like to be able to tell their young people that. So we can make sure that that gets out. At orientation week you could put a lot of that type of thing out.

But we also see that you have to go ongoingly, so almost every five or six weeks you're issuing something new in an education forum that goes out there. Posters still get an 80% recall rate on message for us in the post-secondary market, so we put them up, colourfully. They might stay four or five weeks, then we put another one out; two or three months later, another one out, the same message with maybe a slightly different twist.

The other thing that we know is that they love being engaged in that as smart, young adults. We never use the words "don't" or "can't." We believe in empowering them, because if we raise the bar, they'll step up. They're just waiting for someone to ask them to step into it. So framing it in a way that's useful and valuable: a lot of "Did you know?" facts—especially, if something does

come from the carpooling thing, we want to get that out—the zero BAC.

I've personally spent 18 years of my life talking about this type of work and I do believe that the message is changing. The demographic is getting it. But wow, it's just too easy sometimes to get your bunch of friends together and say, "Let's just go."

The Chair (Mr. David Orazietti): Thank you very much for your presentation. That's all the time we have.

Ms. Frances Wdowczyk: Thank you.

HAMISH WILSON

The Chair (Mr. David Orazietti): The next presenter is Hamish Wilson. Good afternoon, Mr. Wilson. I understand you're speaking to Bill 118. You have 10 minutes for your presentation, and we'll have five minutes for questions following that. Please state your name for the purposes of Hansard, for our recording secretary, and you can begin when you like.

Mr. Hamish Wilson: Hamish Wilson. I may actually spread myself over into both bills. I like pushing the limit to expand your thinking, and I hope you'll bear with me.

Certainly, the whole question of road safety is very important and very thorny, and it's very difficult to actually change our behaviours, because we've certainly gone in a certain direction in a certain way for many, many decades. But let's be clear that many of our problems derive not so much from the softer and greener modes, but actually more from the higher-speed vehicles, the cars and the trucks. They're on our public spaces. It's not really the bikes that are destructive of life and limb and the environment, our property and the roads; it's the cars and the trucks. Again, I'd like to bring a lot of suggestions forward, because in Toronto and Ontario—and Canada, in fact—we're very much behind many other jurisdictions in terms of providing safety for cyclists, providing safe infrastructure and truly encouraging green transportation.

In the broader policy context, we've got to be looking very seriously at adjusting all of our transport far more to deal with the climate change issues. I'd recommend some reading of James Howard Kunstler's *The Long Emergency*. It's a solid book. I don't know if I can show it here to you but I was very pleased to read in the *Saturday Star* that Mr. Kunstler actually gave the keynote address to the Canadian Home Builders' Association. Can you imagine this being on campaign literature, from Mr. Kunstler's book?

"The future is now here for a living arrangement that had no future. We spent all our wealth acquired in the 20th century building an infrastructure of daily life that will not work very long into the 21st century. It's worth repeating that suburbia is best understood as the greatest misallocation of resources in the history of the world."

Bicycles and bike lanes are like the compact fluorescents and solar panels of the 21st century, except the compact fluorescents and solar panels aren't really running the risk of being run over and killed or injured on

a daily basis. I believe both Toronto cyclist fatalities this last year were just doing the right thing, were well equipped, including one who was wearing a helmet. I'm not so sure about the other one, but oops, they didn't survive an encounter.

1640

I've got a top-10 list of things that I'd recommend to you:

(1) Adherence to and enforcement of existing laws, including the municipal class environmental assessment in a Toronto example.

(2) The use of a solid yellow line beside the painted white line of a bike lane on all rightward curves of legal bikes lanes that are 1.5 metres wide.

(3) Increasing the legal status and protection of cyclists while biking on roadways through: adjustments to the no-fault insurance; reversing or assigning the onus of responsibility for crashes automatically towards motor vehicles—Europe does that; and ensuring a degree of safe passage of a cyclist ahead of the current overtaking and turning out to the right, subsection 148(6), this new measure to include signs legitimizing full use of curb lanes by bicycles. I've put an image in the text.

(4) Increased fines of up to \$5,000 and impounding a vehicle and subsequent sale of the vehicle for funeral expenses in case of a cyclist's death.

(5) Avoiding mandatory helmet usage. It's not such a good idea; I understand why.

(6) Increased bike usage for all urban police forces.

(7) Allowing a narrowing of vehicle lane widths—curb lanes, usually—by 5% to 10% on roads in urban areas when bike lanes are being installed.

(8) The Rob Ford, Michael Walker and Case Ootes annual one-week removal of driving privileges for all urban politicians and senior civil servants in May or June. The province actually issues driving licences. It's a privilege. To really walk the talk and bike the talk, pull it for a week. You can all lead and help the municipal politicians lead, as well. I know it would be terribly inconvenient for some of you, but it's one way of getting different mobility in place.

(9) Leading on a very local and cheaper project.

(10) Better bike infrastructure.

There's a whole list of smaller things, of course, but yes, let's get on—I'm not sure how my time is doing, but I'm sure it's scudding.

The Chair (Mr. David Oraziotti): You've got six minutes.

Mr. Hamish Wilson: Okay. Thank you.

Better enforcement of existing laws: There are an awful lot of laws already on the books. Sometimes we need more; sometimes we just need much better enforcement of it. The cell yakking, for instance, really is a terrible distraction. We could see an awful lot more charges, I think, just on the distracted and dangerous driving, although having something very specifically targeted would be good.

Certainly, the culture of speed that we have—the design speed of highways and roads often tends to be far

higher than the legal limit so, consequently, everybody drives above the limit. When everybody breaks the laws—and most of the police seem to be drivers—then there doesn't seem to be that much interest to enforce the speed limits. That would go a long way, just simple enforcement.

One thing that I'm really bothered about, though, is provincial jurisdiction in the municipal class environmental assessment situation. It's local here, as well, and it's nearby on Bloor Street, where it's being all ripped up for a big transformation project, and yet somehow it doesn't seem to have gone through a proper environmental assessment. It feels as if the city of Toronto is either lowballing it or kind of thumbing their nose at the Environmental Assessment Act and evading it. That's not okay.

There's another transgression of provincial laws, and that's in the Places to Grow Act of 2006, one of your good bills. To quote from that, "Municipalities will ensure that pedestrian and bicycle networks are integrated into transportation to:

"(a) provide safe, comfortable travel for pedestrian and bicyclists within existing communities and new development;

"(b) provide linkages between intensification areas, adjacent neighbourhoods, and transit stations, including dedicated space for bicyclists on the major street network where feasible."

"Where feasible" is, of course, debatable, but at the same time, Bloor was the first spot that the city of Toronto, back in 1992, I guess—when they were looking at the transportation sector to really help lead climate change reductions, they had Marshall Macklin Monaghan do an assessment of the roads in the core of the city to find out what was the best. Lo and behold, they suggested that Bloor Street was actually the recommended east-west for phase 1 implementation, the wide section, so it has clearly been targeted already once for bike lanes, yet somehow we're not managing to provide bike lanes.

It's very curious because if you get into the details of the provincial legislation, the municipal class EA, and it's described back to me by Ms. Agatha Garcia-Wright of the MOE, dated April 10, 2008: "It is the understanding of the Ministry of the Environment that the project is comprised of boulevard improvements and streetscaping on Bloor Street from Avenue Road to Church Street." Yet, if you want to get into the details, and it's in the text, you look at the cost divisions that tweak it to an A, A+, or a B or C, things that are over \$2.2 million should fall in category B, according to the way that I see it. So somehow the city has designated it as an A+ project, a normal, mundane transformation, and yet it's got a \$25-million budget, so it does not compute. I'd red-flag that one as being a really serious transgression of a provincial law that would do an awful lot for improving the condition of many urban cyclists.

The second thing: Protecting cyclists on rightwards curves, if I could show a picture. We have a real issue sometimes with all vehicles, I suppose. When you have a

rightwards curve, everybody tends to cut into it. Here we have a clear example of the cars and trucks really cutting through into the new bike lane, which actually is at the narrowest spot, at 1.2, here. So exactly where we need the protection from the incursion of the motor vehicles, it's not there. This is really a sad thing to see in 2009, that the city of Toronto can't provide a safe bike lane. They've known about these problems of right-hand curves in years before, so it would be a good thing to add to your bill somehow, to add a yellow line along this curve just to add that extra layer—"Motorists stay out." It slows them down because you're not supposed to cross over a yellow line. Perhaps negative rumble strips would work as well, but we need to do something on that.

The Chair (Mr. David Oraziotti): You have 30 seconds, Mr. Wilson.

Mr. Hamish Wilson: Oh, my goodness, time scuds.

The helmet legislation: I know that you want to put helmets on people, but please don't. The British Medical Association says in this particular book that I've highlighted, "Really, don't do it." It is therefore questionable why cyclists are being singled out to wear helmets rather than other, non-helmeted road users who have higher risks that also result in a high cost to society.

If I'm out of time, thank you. I appreciate being here.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. To the government side.

Mr. Bill Mauro: Mr. Wilson, thank you for your presentation. I only had one question, but at the end you've prompted another one from me. The non-helmeted road users who are at greater risk than cyclists: What groups are you referring to?

Mr. Hamish Wilson: It could be pedestrians, it could be rollerbladers and it could be motorists as well. There's an awful lot of head injury in motor vehicles sometimes as well. I've photocopied excerpts from this book and I'm pretty sure that staff have been diligent in their sharing of it.

Mr. Bill Mauro: Your focus on the cyclists, thank you for that. I think that it's coming. It's going to be a greater part of the road mix as we move forward. I think that nobody denies that. You mentioned in your presentation that there is one or there are several European countries that have gone to reverse onus already when it comes to a collision involving a cyclist and a motor vehicle. I'm wondering if you could elaborate on that for me a little bit: What countries, how many countries, what the results of that have been, if there's more coming online.

Mr. Hamish Wilson: It's an area that I haven't fully delved into, but my understanding is that it's actually a broad European Union directive that I believe originated in Holland after about 10 schoolkids were killed maybe a decade or two—15 years ago—by motor vehicles running into them. Certainly Europe has provided far better cycling infrastructure for cyclists—Denmark, Holland and Sweden. If you actually look at some of the pictures and images via the Internet or other resources—there's an excellent video, Copenhagen: City of Cyclists, put out by the city of Copenhagen, available on YouTube. The

striking thing about seeing those images from Europe and those videos is that very, very few people are wearing helmets. They've provided that safe infrastructure because there's the reverse onus where the motorist knows that if they bump into someone or if they hurt someone, they're at fault automatically. Plus, they don't have the same degree of automobility, between better transit support and the better bike facilities in more compact urban form.

1650

Mr. Bill Mauro: You feel that the reverse onus has prompted improvements in cycling safety, or is it the infrastructure?

Mr. Hamish Wilson: I would imagine, like many things, that it's a combination of both. But certainly if the motorist knows that they're going to be dinged—legally, as opposed to having a scratch, although scratches on paint jobs are deterrents as well. But if they know that they're going to be automatically at fault, they really pay more attention, I believe, to avoiding cyclists. I believe there are studies that show that when a bicyclist is wearing a helmet, the motorists actually pass closer to them. I can't swear to that, but I believe I caught a reference somewhere that someone actually hooked their video camera up to their bike and went out biking with a helmet and without a helmet. When the cyclist-researcher was wearing a helmet, the motorists came closer to them.

The Chair (Mr. David Oraziotti): Thank you. Mr. Klees?

Mr. Frank Klees: How much time do I have?

The Chair (Mr. David Oraziotti): You've got about two and a half minutes.

Mr. Frank Klees: There's a lot of material in here. Do you have anything else that you forgot that you want to use my two and a half minutes for?

Mr. Hamish Wilson: Thank you, sir. That's appreciated.

Well, the door prize incident. I know cyclists sometimes aren't well lit, and it's very difficult sometimes, when you're in a hurry and in a rush, to think, "Oh, I've got to check the mirrors and look before I open the door." But it's one of the major deterrents to a lot of urban cyclists and it's a real source of crash, harm and even death to people. So tightening up the fines on the door prizes—and that's a vernacular cyclist term for when you open up a door into oncoming bicycle traffic, which is not supposed to be done under the Highway Traffic Act. It's called a door prize. You can get paralyzed. You can get killed. That's what happened to one of the cyclists who got killed this past year up on Eglinton: He got a door prize, or swerved to avoid one, and didn't make it through it. So that's one major thing that I'd urge that you really look at: upping the fines for the door prizes, with special consideration for cyclists.

I cannot defend all cyclists, by the way. There are some absolute pejoratives around sometimes. It's hard to advocate all the time for some cyclists; there's no doubt about it.

Other things—yes. Thank you for your time, sir; it's very much appreciated. Having a bit of flexibility in the

motor vehicle lane widths: It may not be possible to do, but if we could just squeeze the car lane widths. With most cars, the bulk of the traffic is actually not occupying the full three-metre minimum width, and if they are, it's a function of having a higher speed. So the narrower lanes, and I think that tends to be done more in Europe, actually slow down the traffic. That increases road capacity, because the faster the vehicles go, the more road space they consume. So slightly narrower traffic lanes with bike lanes actually could help reduce the congestion a little bit and improve the flow—just squeezing a little bit, not a lot, because sometimes we run into real issues with, “Oh, we don't have enough space,” and it's true. Sometimes it's just really tight. But if we could just squeeze a little bit, that would help, because there's already a bit of flex in bike lanes.

The local project: We need bike lanes here around Queen's Park Crescent. It's very easy to do with paint, and just to add a new sidewalk. So again I suggest it would be a quick make-work project. If you guys led and asked the city, “Hey, we want to have a bike lane all around Queen's Park, and a sidewalk,” you could help to calm the traffic here, provide safety for cyclists and improve the situation for pedestrians.

The Chair (Mr. David Oraziotti): Got it all in. Great. Thank you very much for your presentation.

Our next presenter is Richard Austin. I don't know if Mr. Austin is here. Louis Fliss, the last presenter?

It looks like we'll have a short recess until the next presenter shows up, so please don't go too far from here. Thanks.

The committee recessed from 1655 to 1707.

LOUIS FLISS

The Chair (Mr. David Oraziotti): Good afternoon, Mr. Fliss. Thank you for being here today. I'd just like to call the meeting back to order.

If you want to state your name for the purposes of Hansard, you have 10 minutes for your presentation. Please proceed when you're ready.

Mr. Louis Fliss: Good afternoon. Thank you for hearing me. My name is Louis Fliss. I live in Flemingdon Park in the city of Toronto. I'm here to help you with the amendments for Bill 126. My interest is with e-bicycles. I've been a resident of Toronto my entire life. I now live in Flemingdon Park, above where I work as a chiropodist foot care specialist at the Flemingdon Health Centre. My interest is for my clients and for myself. I'm eager to open up the community to get my patients walking, riding—any means possible. I'm working on an initiative with the community health centre in the health promotion department to work on the Gateway greenbelt.

So to get to the point at hand, at one time, I had a wonderful ride with my wife. We rode to Rochester and took the ferry. She has since developed rheumatoid arthritis, so she's limited now in joining me on these wonderful occasions. We purchased an e-bike last spring. We've had lots of rounds together. We enjoyed events through the ravines through the Toronto Bicycling Net-

work; we took a ride to Centre Island, with a little resistance from the ferry employees. They eventually allowed us on the ferry, and the other riders seemed to accept us fairly well.

What I'd like you to consider is that we really don't see too many people in the ravines. We really don't see people taking advantage of the greenery in the city. The electric bicycle is a zero emitter. The bike that we purchased—you have an illustration—is restricted to 32 kilometres per hour. It's a little bit wider and a little bit longer. It has wonderful brakes and horns; it pretty well follows the Highway Traffic Act definition presently of a bicycle.

In my recent excursions, tourism has improved with bicycling. You see railway lines converted to bike routes from one small town to another. This would be wonderful to be used by bicycles and e-bikes, and there's the potential for tourism. Right now you have a limited number.

I suspect that this might be the first time you've seen an illustration of this form of bike. It does have pedals. It has a one-gear system. Theoretically, yes, you can use the pedals, but mostly the individual would travel using the electric power. We've had instances where, if we try to get up a hill—one hill I'm thinking of particularly is behind the Ontario Science Centre—then my wife needs to use the pedals to get up.

I'm here to answer any questions, if you have any. What brought me here was a group in the city of Toronto, the Toronto committee for active transport. They said they were against these vehicles, and I think they're shooting themselves in the foot. What we need to do is find collaboration with other park users to engage in activities that don't pollute, that promote health.

I'll sum up now. Sorry, I'm a little rushed. I want you to get out on time as well.

If you look at the highlights, this particular bike is something like what we have. It's called a Sinatra. They have to make it sound attractive for those who are interested in purchasing. The details are listed here: speed up to 32K, as per the regulations. There is some mass to them. I work above the health centre, so I basically take the elevator. She uses it by utilitarian means to get to work. She works at the Daily Break Food Bank. So from Flemingdon Park, which is near the science centre, it takes her less time to get to Lakeshore and Islington than it would with public transit.

These vehicles need to be able to use the bike lanes. They won't get far behind other vehicles. Consider the fact it's a zero emitter and it would have to travel behind automobiles, so a bike lane is appropriate, in my opinion. Of course, there's a wonderful ravine system here in Toronto. It should be exploited by all users.

You must consider that there are also electric wheelchairs. They travel at quite a click as well. They're a wider vehicle, and from what I understand, they're allowed to use the ravine systems as well.

The Chair (Mr. David Oraziotti): Thank you for your presentation. Mr. Klees has comments and questions, I think.

Mr. Frank Klees: Sure. How much time do I have?

The Chair (Mr. David Orazietti): Two and a half minutes.

Mr. Frank Klees: So how much is one of these Sinatras?

Mr. Louis Fliss: I'm not too sure on that vehicle, but the one we purchased took us back \$2,200.

Mr. Frank Klees: And you're saying they're not currently allowed to use the bike lanes?

Mr. Louis Fliss: Oh, no. Under the probation, up to October this year these vehicles can use the bike lanes and the park paths.

Mr. Frank Klees: So what you're advocating is a continuation of that?

Mr. Louis Fliss: Yes.

Mr. Frank Klees: Of course, the ministry will be monitoring to see how all of this is working out, right? Do you have a field day when you could perhaps take the parliamentary assistant on a ride on one of these?

Mr. Louis Fliss: I actually asked the assistant if I could bring the bicycle in, and they thought it wasn't a good idea, but I'm willing to come back.

Mr. Frank Klees: I think it's the parliamentary assistant's responsibility to report back on some of these various means of transportation. So we would certainly volunteer to have her go out on a ride with you and report back. Would you be willing to do that?

Mr. Louis Fliss: Sure, if she has a helmet. She requires a helmet.

Mr. Frank Klees: We can probably arrange for the helmet. Thank you very much. Very interesting presentation.

Mr. Louis Fliss: Thank you.

The Chair (Mr. David Orazietti): Questions? Mrs. Jeffrey.

Mrs. Linda Jeffrey: I'm flattered by Mr. Klees's interest in my opportunity to go on field trips.

Thank you for coming and talking about your e-bike. I've learned more about e-bikes probably in the last hour than I ever knew before, so it's very helpful to read about them, but to have somebody who's actually used one—is this your only mode of transportation? You have a car as well?

Mr. Louis Fliss: We do have an automobile, which we use through the wintertime.

Mrs. Linda Jeffrey: So can you tell me what your feeling is about helmets and the age restrictions, what kind of helmets? We've had some people come in today who've given us an opinion on it and had very strong feelings. What are your feelings on helmets and who should use them and age restrictions, now that you've had some experience on the roads?

Mr. Louis Fliss: I'm a former Can-Bike instructor. I used to teach bicycle safety for the city of Toronto. There was a movement at the time to have bike helmets mandatory for all. The Mike Harris government decided to just make it for those 18 and older. I'm all in favour of having permanent helmet use. You're saving lives and, if not lives, you're saving traumatic injury.

Mrs. Linda Jeffrey: Do you recommend motorcycle helmets for people riding e-bikes, or bicycle helmets?

Mr. Louis Fliss: Bicycle helmets will do the trick. Just going up to 32 kilometres per hour, that should be fine. We have cyclists in the park just tearing past us on the regular bicycles.

Mrs. Linda Jeffrey: What about age restrictions? Do you have any suggestions about age restrictions? You're saying there are some people who are riding very quickly, but this is a motorized vehicle. Do you have any sense of what you would believe? Over 16, or can any age ride these?

Mr. Louis Fliss: I think leaving it at 16 is—

Mrs. Linda Jeffrey: That would be your recommendation?

Mr. Louis Fliss: For sure.

The Chair (Mr. David Orazietti): Thank you very much for your presentation today.

Mr. Louis Fliss: All right.

The Chair (Mr. David Orazietti): Is Richard Austin here? We had Richard Austin down for 5:10. I don't see Mr. Austin here, so seeing that we're well past that time, we're going to adjourn until Wednesday at 4 p.m. Adjourned.

The committee adjourned at 1717.

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Oraziatti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Oraziatti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Mr. Gilles Bisson (Timmins–James Bay / Timmins–Baie James ND)

Mr. Frank Klees (Newmarket–Aurora PC)

Mr. John O'Toole (Durham PC)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. Avrum Fenson, research officer,
Research and Information Services

CONTENTS

Monday 9 March 2009

Election of Chair	G-291
Election of Vice-Chair	G-291
Subcommittee report.....	G-291
Countering Distracted Driving and Promoting Green Transportation Act, 2009, Bill 118, <i>Mr. Bradley / Loi de 2009 visant à combattre la conduite inattentive et à promouvoir les transports écologiques, projet de loi 118, M. Bradley</i>	G-292
Road Safety Act, 2009, Bill 126, <i>Mr. Bradley / Loi de 2009 sur la sécurité routière,</i> <i>projet de loi 126, M. Bradley</i>	G-292
Share the Road Cycling Coalition	G-292
Ms. Eleanor McMahon	
Ms. Debbie Virgoe	
Teamsters Canada	G-295
Mr. Robert McAulay	
Mr. Phil Benson	
Ontario Federation of Agriculture	G-297
Mr. Peter Jeffery	
Ms. Wendy Omvlee	
Mr. Charles Diltz.....	G-298
Mr. Anthony Humphreys	G-300
Mr. Lionel Rudd.....	G-302
MADD Canada	G-305
Mr. Andrew Murie	
Ontario Community Council on Impaired Driving	G-307
Ms. Anne Leonard	
Canadian Courier and Logistics Association	G-310
Mr. David Turnbull	
Mr. Rick King	
Student Life Education Co. Inc.	G-312
Ms. Frances Wdowczyk	
Mr. Hamish Wilson	G-314
Mr. Louis Fliss	G-317



Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Wednesday 11 March 2009

Journal des débats (Hansard)

Mercredi 11 mars 2009



Standing Committee on General Government

Countering Distracted Driving
and Promoting Green
Transportation Act, 2009

Road Safety Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 visant à combattre
la conduite inattentive
et à promouvoir
les transports écologiques

Loi de 2009 sur la sécurité routière

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

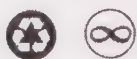
Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Wednesday 11 March 2009

Mercredi 11 mars 2009

*The committee met at 1600 in room 151.*COUNTERING DISTRACTED DRIVING
AND PROMOTING GREEN
TRANSPORTATION ACT, 2009
LOI DE 2009 VISANT À COMBATTRE
LA CONDUITE INATTENTIVE
ET À PROMOUVOIR
LES TRANSPORTS ÉCOLOGIQUES

ROAD SAFETY ACT, 2009

LOI DE 2009 SUR LA SÉCURITÉ ROUTIÈRE

Consideration of Bill 118, An Act to amend the Highway Traffic Act to prohibit the use of devices with display screens and hand-held communication and entertainment devices and to amend the Public Vehicles Act with respect to car pool vehicles / Projet de loi 118, Loi modifiant le Code de la route afin d'interdire l'usage d'appareils à écran et d'appareils portatifs de télécommunications et de divertissement et modifiant la Loi sur les véhicules de transport en commun à l'égard des véhicules de covoiturage ; and Bill 126, An Act to amend the Highway Traffic Act and to make consequential amendments to two amending acts / Projet de loi 126, Loi modifiant le Code de la route et apportant des modifications corrélatives à deux lois modificatives.

The Chair (Mr. David Orazietti): Good afternoon, everyone. I call the committee meeting to order. We're here to continue public hearings on Bills 118 and 126.

ONTARIO TRUCKING ASSOCIATION

The Chair (Mr. David Orazietti): We have our first presenter, the Ontario Trucking Association, if you'd like to come forward.

Good afternoon. Please state your name for the purposes of our recording Hansard. You have 15 minutes for your presentation, and we have five minutes for questions should members wish to take that opportunity. Please proceed when you're ready.

Mr. Doug Switzer: Thank you very much. My name is Doug Switzer. I'm the vice-president of public affairs with the Ontario Trucking Association. I appreciate your giving me the time today. I should also, just at the outset,

mention that I know that the Ontario Road Builders' Association was supposed to present today. Unfortunately, they weren't able to be here, but they did ask me to pass on to the committee that they share some of the concerns that I'm going to be raising in my presentation.

First, let me just very briefly mention who we are. The Ontario Trucking Association has been around for 80-odd years—we've been around since 1926—and we represent the trucking industry in Ontario. We have some 1,100 members, representing the majority of trucking interests in the province, and the positions that we bring forward are developed by a board of directors of some 80-odd people.

First, let me say at the outset that, in general, we're very supportive of Bills 118 and 126. Road safety isn't just an abstract idea or a slogan with the trucking industry. No one knows better than the trucking industry how important road safety is. It is our workplace, it is where we do our business, and obviously, road safety impacts us on a daily basis. For many of our members, it's even more personal than that. Many of them have had to go to visit families of their employees in the middle of the night to tell them that their loved ones had been seriously injured or worse. So for them, it's a very, very real issue. That's why we've long been advocates for improved road safety and truck safety. That's why we developed positions on issues like speed limiters and on electronic on-board recorders for monitoring hours of service. Compliance is very important to us and we want people to obey the rules of the road. Much work has been done—and a lot of credit to the government for doing that—and there's still much more that can and should be done.

Bills 118 and 126 deal with a number of key safety issues primarily related to car drivers—this isn't fundamentally a truck bill—and these provisions are very positive steps that we believe will improve road safety. But I did want to point out that there are some elements of the bills that we do have some concerns with, fundamentally around the basic principle that trucks are not just big cars. We all know that cars occasionally make that mistake on the road and assume that a truck is going to be able to stop the way another car will, but we would urge you, as policy-makers not to make that same mistake.

There are differences between cars and trucks. Trucks operate under a different and tougher regulatory regime

than cars do. We are subject to random inspections for vehicle fitness; we have to follow hours-of-service rules and keep log books; we are subject to audits; we have a CVOR system that keeps track of our on-road performance and punishes us if we're not doing what we should be doing; drivers are subject to frequent—they have to have medicals and retesting when they get to be 65 years of age, which car drivers don't. I should say that we accept and support that tougher set of rules. Indeed, we helped to create it. We've advocated for many of those things because we know we're different than cars and we know that we need to play by different rules.

Trucks pose very different challenges for policy-makers. Because we have loads that are attached to the trucks, we're not just like a car. What you do to a truck also impacts the shippers that we're servicing. It's a work vehicle, not a personal vehicle, and that brings a whole host of challenges. What you do to us impacts our ability to compete with out-of-province competitors etc. I would urge you to understand that we do indeed need to play by a different set of rules on occasion. "We can't treat you differently than the cars" is a line that we hear frequently from government, to which our response is that you can, you already do, and you should treat trucks differently than you do cars, from a regulatory perspective. Some things which are appropriate for trucks are not appropriate for cars, i.e., speed limiters, and some things which are appropriate for cars are not appropriate for trucks.

With that, let me address two specific things, one in Bill 118 and one in Bill 126. First, with respect to cell-phones, I should say that the industry is very much in support of banning hand-held cellphone use. Certainly our drivers see the impact of people who are distracted while they're using cellphones and other electronic communications devices, and we don't want to share the road with them any more than other motorists want to share the road with them. So in that sense, this is a very positive step forward.

But at the same time, trucks are working vehicles that do need to be in contact with their dispatchers and with their head offices. One particular issue that I would bring your attention to is the issue of empty miles. We're frequently asked what we can do, in the trucking industry, to reduce the amount of trucks that are travelling on our roads, taking up space, causing congestion, that are running with empty miles. Certainly, the industry does everything that it can to eliminate empty miles. One of the key elements in doing that is the ability to reach the truck from dispatch and reroute them en route, if they need to change their routing for whatever reason.

All we're asking for is for reasonable accommodation to be made under the regulations for some specific communications devices used by commercial vehicles, such as hands-free cellphones, satellite links, push-to-talk phones and CB radios. That can all be done through the regulations, and we look forward to working with the government on that once the bill is passed.

With respect to Bill 126, the one area of the bill that I'd like to draw the committee's attention to is admin-

istrative vehicle impoundments. Again, we would support the provisions, in general. Our members are as concerned as anyone about unlicensed and uninsured drivers, in some ways maybe a little bit more so. One of the problems that I frequently hear about from trucking companies is that when they're in an accident and there's an uninsured driver, because of the way the insurance system works in this province, trucks are deemed to be the loss-causer, and we bear a disproportionate burden of the resulting insurance claim that comes from that uninsured driver. So eliminating uninsured drivers from our roads is certainly something that we would applaud, and we encourage the government to do whatever they can do on that.

We are not seeking a general exemption for the trucking industry. For those who make no effort to ensure that their drivers are properly licensed or for those who drive their own trucks when they know they are suspended, we certainly support impoundment, just as we supported impoundment—truck jail—10 years ago for vehicles that have defects. That's certainly something that we would not oppose.

But there are two specific issues that arise with respect to the difference between cars and trucks when it comes to administrative vehicle impoundments. Again, just pointing out the difference between cars and trucks and the insurance issue: It is different when you've got a car and a truck. If a car driver is unlicensed and they're in an accident, their insurance is invalid, but if a truck driver were unlicensed and they were in an accident—they're driving a company vehicle—we've been told by the insurance industry that the fleet coverage would continue to apply. So an unlicensed truck driver doesn't bear the same liability risk as an unlicensed car driver, because the insurance policy would still be in effect. The insurance company would have cause to go after the trucking company if they wanted to sue them, but in terms of payment for injured third parties, they would still be covered by the fleet policy.

The first issue is, again, with respect to the loads. Unlike cars, when a truck is impounded there are issues around the load. There's obviously the impact on the shipper who's waiting for that load. There are also issues around perishable goods and dangerous goods. If you impound a straight tanker full of gasoline, there's no reasonable way to transfer a load of gasoline at a truck inspection station or at the side of the road, wherever the vehicle has been stopped. So there are definitely issues with respect to what you do with the load.

The policy that comes out of this legislation needs to accommodate delivery of the load. We would suggest that, rather than seize the vehicle at roadside as you do with cars, the commercial vehicles be allowed to complete their delivery—obviously with another driver; we don't suggest that the suspended driver be allowed to continue; the company would have to get another driver out to that vehicle—following which the vehicle's plate would then be surrendered to MTO within 12 hours, thereby getting rid of the load, dealing with those load

issues. And then you would then still be able, in essence, to impound the vehicle for seven days.

The other issue is that, unlike cars, most truck drivers are driving someone else's vehicle: the company's vehicle. That's not to say that the carrier should not be accountable. We believe they should be accountable for making a reasonable effort to ensure that their drivers are properly licensed. But despite the carrier's best efforts, some drivers may not let their employer know. Obviously, it's not something you're proud to go and tell your boss, that you've defaulted on your family support payments and you've had your licence suspended, particularly if you think that you've got a solution that's going to solve that problem in the next day or two or within the next week. You think that you may be able to skate through, so you don't let anyone know about it. That driver may get behind the wheel of a company vehicle and take it out on the road despite the fact that they're suspended, because they think that they can get away with it.

In our opinion, it's unfair to seize the truck, which is a valuable piece of working equipment that that carrier needs to continue their business, from a carrier who's done everything right and made a reasonable effort to check their driver's status. Again, no argument for those who've made no reasonable effort: If they haven't made the effort to do their due diligence, seize the vehicle. But if you've done everything right, if the carrier is blameless in this, to inflict a penalty on a blameless person seems to us to be a bit unfair.

1610

So our recommendation is that, as part of the regulation-making process following passage of the bill, MTO should establish a mechanism whereby a company can demonstrate that they have in fact exercised due diligence in attempting to ensure that their drivers are properly licensed. If they can prove that, they can make an appeal to the ministry to have the impoundment of their vehicle lifted in a timely manner. The reason I mention "in a timely manner" is because this is a seven-day suspension. Currently, in the longer suspensions under the Criminal Code, you can appeal to a licence appeal tribunal under the same sort of due diligence defence. The problem is, with a seven-day suspension, to make an appeal to the licence appeal tribunal will take longer than the suspension will, so you won't get the vehicle back before the suspension is already served.

Thank you very much for your time, and I'd be happy to answer any questions.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. We'll start with the official opposition. We have about two minutes per caucus.

Mr. Frank Klees: Thank you for your presentation. With regard to impoundments, I think the ministry has already undertaken, has it not, that there will be exemptions for commercial vehicles. Have you had any discussion with the ministry regarding that?

Mr. Doug Switzer: No, I'm not sure that I've got that impression. There was some discussion that they would

release the trailer. The problem is, of course, that not all trucks are tractor-trailers. We have heard that they would take the tractor but release the trailer. But in the event that it's a straight truck or a dump truck or a concrete mixer, that load is not separable from the tractor. So we have no assurances with respect to that.

Mr. Frank Klees: With regard to cellphone use and two-way radios and whatever, I think we did hear at the previous committee hearing that there was an undertaking by the ministry that they'll provide some exemptions for commercial vehicles. You've had that assurance as well?

Mr. Doug Switzer: Yes; I would say that that is true. We have had that assurance, that they understand that there are some very specific types of communication that are used for commercial applications that they would create exemptions for.

Mr. Frank Klees: Okay, thank you.

The Chair (Mr. David Orazietti): Mr. Prue?

Mr. Michael Prue: Just the whole question here about a driver driving with a licence suspended: The way it works in Ontario—and I've had constituents call me on this, and people I know—you have your licence suspended, but they mail it out and you don't get it for about a week, so you don't even know. That would happen to truck drivers too, because I know that one of the people who called me had his truck impounded at the US border when they checked his documentation and saw that his licence had been suspended the day before, you can imagine being caught in a foreign country. Is this the kind of thing you're talking about? Because I can see inadvertence and nobody's fault.

Mr. Doug Switzer: Yes, certainly that is a problem, where there's a gap between the knowledge of the suspension and the effective date of the suspension. I think really what I'm driving at is the knowledge of the carrier who owns the vehicle. With cars, I understand why the government has put in place the policy that says that if you're driving someone else's vehicle they will seize the vehicle regardless of who owns the vehicle if you're unlicensed to take the vehicle. That's to avoid someone who has a suspended licence from borrowing a friend's car whenever they want to drive, thereby trying to escape the law. But the reality is, most car drivers are driving their own vehicle, whereas with truck drivers, they're actually driving someone else's vehicle. So the burden of punishment of impoundment doesn't fall on the driver, who's the one who's guilty of whatever has caused them to have their licence suspended; the carrier is bearing the burden. They're losing the vehicle but they've done nothing wrong. Again, if they have done something wrong, if they haven't done their due diligence, if they haven't made a reasonable effort, then by all means; they do deserve the punishment. But if the carrier has done everything that the government asks them to do, whatever that may be—checking twice a year or three times a year; whatever is deemed to be due diligence on a licence. It's obviously impractical for a company to check on a daily basis, every day, every single driver who's

taking one of their vehicles out. So there's always going to be some lag time between the last time you checked the validity of their licence.

Right now, most companies should—I won't say that they do, but should—check twice a year to get a full abstract on their drivers to make sure that they're properly licensed.

Mr. Michael Prue: If there's time, just the whole question of perishable goods: I can just see a whole load of foodstuffs rotting, sitting in a warehouse for seven days; it would be rendered inedible. Your suggestion seems reasonable. Would unloading it do, or just simply driving it away is the only answer?

Mr. Doug Switzer: Unloading it works in some cases, but it doesn't always work. For example, perishable goods might be live pigs. I don't think anyone wants to get in the business of trying to herd pigs at the side of the road from one truck into another. Again, if it's a tractor-trailer where the trailer can be easily separated from the tractor, sure; having another tractor come and take that away makes perfectly good sense. The problem is, not all trucks are tractor-trailers and not all loads are easily moved. Even if they're perishable goods, they may be livestock. They may be chickens; you can imagine the chaos that would cause. It's not always easy to transfer from one truck to another if the vehicle has been seized.

Mr. Michael Prue: Good points; thank you.

The Chair (Mr. David Oraziotti): Thank you, Mr. Prue. Ms. Jeffrey?

Mrs. Linda Jeffrey: Thank you for coming today. It has actually been quite helpful to have you here, because I think we ran out of time in the last delegation. Mr. Klees has touched on it briefly because we had the Canadian Courier and Logistics Association come in. At the very end of their presentation, they talked about what you've been talking about this afternoon: about separating the driver from the carrier from the customer. In the last dying moments of their presentation, they talked about the fact that you could separate a trailer from the truck, but you're telling us that it helps to have another option available so that the truck and the driver are separated and that there's a consequence for the driver, not the company. That's very helpful.

The other thing we heard from the courier company was the fact that they use hand-held tablets. Do you use that type of communication? Would that be something you would need some exemption for with regard to being distracted as a driver?

Mr. Doug Switzer: Yes, I think that would be part of the discussion that we would expect to have following the bill's passage. I think the tablets are more of an issue specifically in the courier industry. Our guys—to be honest, most of them would be using satellite text messaging rather than the tablets that the couriers use. That, actually, I think would be exempt under the bill because they're usually affixed to the vehicle; they're actually embedded in the dashboard of the vehicle. So I'm not so sure that the tablets are as big an issue for the long-haul

trucker. They certainly are for the local dispatch and expedited service and courier.

Mrs. Linda Jeffrey: Okay, thank you very much.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

Toronto Cyclists Union—the second presentation. Is there anyone here from the Toronto Cyclists Union?

ONTARIO TRAFFIC CONFERENCE

The Chair (Mr. David Oraziotti): We're going to move on to the Ontario Traffic Conference.

Mr. D'Angelo, state your name for the purposes of the Hansard recording secretary. I understand that you're speaking to both Bills 118 and 126. You'll have 15 minutes for your presentation and five minutes for questions.

Mr. Marco D'Angelo: Thank you very much. I'm Marco D'Angelo, the executive director of the Ontario Traffic Conference. On behalf of my association, I'd like to thank you very much for having this hearing today and for giving me a few minutes to speak to you about Bills 118 and 126.

By way of introduction, the Ontario Traffic Conference was formed in 1950. We're a very unique association in that we bring together road safety professionals in a multidisciplinary way. We bring together municipal traffic engineering managers, transportation planners and the enforcement side. We take road safety with a broader view, and I just want to share some of the views of our membership today.

At the outset, we would like to appreciate the amount of focus that the Legislature has placed on road safety over the past few years through successive bills. We agree that many of the changes put forward in Bills 118 and 126 are very positive, but I'd just like to take a few moments to outline some of the areas of concern that have been expressed by our membership, as well as highlighting some of the areas that we are pleased to give our support to.

I'll start with Bill 118—charging a distracted driver. The OTC supports the principle that drivers on Ontario roads be fully focused on safe driving at all times. We also support strengthening provisions for allowing dangerous-driving charges to be laid and to be combined with a distracted-driving charge when a driver, because of their inattention, is not driving safely for whatever reason, but specifically to deal with hand-held devices—BlackBerries and cellphones. However, we have a few questions about the gathering of evidence, and these come from some of the members of the police community who are involved in OTC.

1620

Some of the questions that they've asked the committee to consider are: Will police officers be able to search the vehicle for the distracting device to document the item being held at the point of observation by the officer? That goes back to when a driver is using an illegal radar detector so that they can speed excessively, and the officer is able to inspect inside the vehicle to con-

fiscate that unit or to document the unit that is in fact in the car at the time that the charge is laid. The second question is: Will police officers be required to make a determination if the perceived device is in fact an actual distracting device and not another object? Will it be up to the police officer to determine that that device is in fact a cellphone and was the same device that they were using? One of the concerns that they've raised is that perhaps a person may be driving erratically but may not be using a device at the time. For example, if they use their wallet, which is shaped very much like a BlackBerry, and for whatever reason may be holding it and driving erratically, will it be up to the officer to make that determination at the time? Those are some of the technical questions that are being asked.

Interjection.

Mr. Marco D'Angelo: Well, people drive all kinds of ways.

With respect to public transit employees, just to change topics, also dealing with Bill 118, we're concerned that public transit employees were not included on the initial list of exempted users of hand-held devices in the same way that police, fire and ambulance were. Transit, of course, is an important municipal service, and there are times when an operator may need to use a communicating device. There are a lot of telephone handsets that are located in the driver's cabin. So we'd request further discussion with our municipal partners to ensure that if they do need to use a device on the road, they may continue to do that within the law.

On the Public Vehicles Act amendment, I can tell you that we're very pleased to see the improvement for making it easier for informal carpooling to take place and for varying types of carpools, including those that cross between municipalities, and for allowing carpools that are not necessarily restricted to home-work journeys.

Those are our comments on Bill 118.

I'd like to turn to Bill 126 and deal with a few issues within that bill.

First, on power-assisted bicycles: We're very pleased to see that there is a definition of power-assisted bicycles being added to the Highway Traffic Act. We are pleased to also see that there's a restriction that those road users need to be over 16 to use those power-operated bicycles. We also believe that they should be treated the same as motor-assisted bicycles, which means that we are calling for the users of a power-assisted bicycle to also be insured and have that vehicle registered, and to hold insurance on that vehicle and have a plate on that vehicle. We're also calling for defining power-assisted bicycles as motor vehicles, to ensure that somebody who has a suspended licence isn't able to continue to use our roads as a driver simply by buying an e-bike and getting around their suspension, which could be for a number of reasons. We want to ensure that people aren't uninsured on our roads, because these vehicles travelling at these types of speeds can cause the same kinds of accidents and perhaps even more personal damage, because the person may or

may not be wearing a helmet at the time. So we have concerns about that.

With respect to the zero blood-alcohol content for young and novice drivers, we're very supportive of that. Our police officers who are traffic sergeants from across Ontario were supportive of that.

With respect to the second breath analysis at the roadside, certainly we welcome that. It helps to make the timeline much more clear as to when a person who had registered a "warn" or "alert" signal would have to request a second test. We're glad to see that that window has been reduced so the person would have to request that second test immediately. We believe too much time can elapse if a second test is taken on an approved instrument at the station. So we do support authorizing a second test on a second approved screening device, which can be administered at the scene if that's requested, if the driver does ask for that second test immediately after registering the "warn" or "alert" signal.

Two more points very quickly: With respect to "move over," we support the idea of having motorists driving safely and moving to an adjacent lane with caution when there is a stopped emergency vehicle, but we are very concerned about the low level of knowledge about the move-over law among the general public, given that it has been around since 2003, I believe. We recommend that if there is going to be a change to the fines for violating the move-over law, that be accompanied with a public education campaign as well, something like the yield-to-bus public education campaign that came in to accompany that legislative change as well.

Finally on seat belts, we know that Ontario already has a very strong record of seat belt use, and that was also aided by strong public education over many years. We recognize that not all Ontarians buckle up, and fines should reflect the need for compliance. That said, we recommend that medical letters which exempt drivers from having to use a seat belt no longer be recognized given that there is a wide array of adjusting devices that exist to make it possible for any driver to safely use a seat belt today. We did want to make that recommendation to the changes with respect to seat belt fines.

That said, I would be happy to take any questions that you might have of me.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. We have about three minutes per caucus. Mr. Prue, we'll start off with you.

Mr. Michael Prue: I have a couple of questions. The whole issue of having communications devices I think is a thorny one for TTC drivers, as an example, or bus drivers in general across the province. I was appalled and shocked to hear this week the statistic that one TTC employee an hour is assaulted. It makes sense to me that they have the wherewithal to telephone either for an ambulance, for police, for whatever, and that they have it with them. Would you concur that they may have to be an exemption?

Mr. Marco D'Angelo: Oh, absolutely. We call for that in our report. I can tell you that my father, as an

example, was a municipal bus driver in Ottawa for 31 years. Many times in that career that he had, he had to use that emergency telephone for a wide variety of needs or just to communicate as well with the control tower to ensure smooth operation of service. So I think that it's essential.

Mr. Michael Prue: I'm also worried about the taxi industry because that, too, can be a very dangerous industry, particularly at night. We know that there are a number of taxi drivers robbed and even killed. They do have flashing lights, so if you see one on the street, a taxi flashing, you're supposed to call the police, but a lot of people may not know what it is. Should they be allowed to have—most of them have radios, or at least they used to, but now they seem to rely more on cellphones.

Mr. Marco D'Angelo: Some of them have continued radio, but they also have a GPS device. So they have their own methods of communicating.

But about public education, I do think that's important because if people know that they're not allowed to use their cellphone, I think it will be important as part of that to remind people that for emergency calls, they are able to do that, and remind people of when they are able to use a cellphone. We want to make sure that crimes in progress or very dangerous driving is reported in a timely manner to police. We want to make sure that would continue. That's one of our concerns as well.

Mr. Michael Prue: I am a little concerned on the sobriety—the second test. The reason for the second test at the police station is that the hand-held device is not as accurate as the more complex device that's not carried around. The reason people are taken there is to get a sample that will hold up in court. So if somebody asks for the second one, it's a little problematic to me to simply hand him another tube or have another officer administer it, because you may get the same result, whereas the other one is scientific. I don't know of too many courts that throw out the second one.

1630

Mr. Marco D'Angelo: That's a very good point. Our position is that we would recommend that the second test be taken on a different approved instrument at the roadside. So it wouldn't be the same machine; it would be a second—

Mr. Michael Prue: A second similar machine.

Mr. Marco D'Angelo: —a second or different, but same purpose, machine.

Mr. Michael Prue: Even though the veracity of that machine is open to question in court? You see, I don't know of any judges who will take the hand-held device alone and say that is proof that you blew over 0.08, but they will take the one at the police station as absolute proof.

Mr. Marco D'Angelo: Okay. I would say—

Mr. Michael Prue: This is the problem I have.

Mr. Marco D'Angelo: Okay. All right.

Mr. Michael Prue: If somebody's guilty, I want to make sure that when you go to court, you have the best evidence.

Mr. Marco D'Angelo: I agree with that as well, and I thank you for that assistance. Our position is that we would call for that second test to be administered. We believe it could happen, legally, for that to be requested immediately, so we think that it could be done in a narrower time frame.

Mr. Michael Prue: Thank you.

The Chair (Mr. David Orazietti): Okay. Thank you, Mr. Prue. Mrs. Jeffrey?

Mrs. Linda Jeffrey: You covered a lot of material. That was very helpful. You really went through the bill. Some people just can't cover all this. Clearly you've looked at both bills and asked some questions that other people haven't, so that always gives us some homework to do.

I'm interested to know a little bit more about the public transit employees, because we have had letters from municipalities asking for the exemptions. Could you expand a little bit about—clearly, you have some municipal officials sitting at the Ontario Traffic Conference from around Ontario.

Mr. Marco D'Angelo: That's right, representing municipalities and regions from across the province. We have people who manage transportation departments. That's the basis of our membership.

On the public transit issue, my understanding is that there are specific exemptions in the legislation for some types of employees, and it specifically adds two-way radios. These telephones are not exactly cellphones, but they're also not two-way radios. It's an area that I think should be clearly demarcated, the same way that it is for police, fire and ambulance, because they perform a function where they need to communicate for a number of reasons with the control tower.

Mrs. Linda Jeffrey: You spoke about the public education campaign. That's very helpful. We have heard from some groups. Is there a recommendation, besides the yield-to-bus, that you have found to be effective when the Ontario Traffic Conference has worked with the public? Is there some medium that you find better than others? Obviously, we're going to be trying a younger audience on some of our messaging. Is there something that's worked for you that you would recommend that we consider?

Mr. Marco D'Angelo: Yield-to-bus has a real advantage because you can put signage right on the vehicle. With respect to "move over," there is some limited opportunity for signage on the messaging boards or on the 400-series highways. But in the experience that I have doing public education in transportation, I think there would have to be perhaps a more direct approach, whether it's in print, whether it's included when licence renewals are mailed out. "Move over" has some nuance to it because it's not in every situation. It's only when it's safe. When do I need to move over? Is it just when they have the lights on? What if the emergency vehicle is just stopped, with no lights, at the roadside?

I think there needs to be some verbiage to it. It would not be simple enough to just have a "yield-to-bus" sticker

on a bus. I think perhaps if something is mailed to drivers, maybe when they have to do their sticker renewal—that might be very helpful to do, at least in the first year, to give them that information.

I know Ontarians want to follow the law. We have the safest roads in North America. But we have to make sure that they understand what it is, and I think “move over” is one of the places where we could do a better job at helping the public to understand what the rules of the road are.

Mrs. Linda Jeffrey: Do we still have time?

The Chair (Mr. David Oraziotti): Thank you. Mr. Klees?

Mr. Frank Klees: With regard to the two questions you put, I think you framed them on behalf of the police. That’s coming from whom? Who asked you to ask those questions?

Mr. Marco D’Angelo: These are questions that we had. We have a legislation and enforcement committee and it’s made up of traffic sergeants who are responsible for managing road safety units in police services across Ontario. In the discussions that we had—they had done their review of the bill. They heard some information through their police services, and so these were just some additional questions with respect to how they would prove that the device was indeed distracting, and then the questions about how they would go about documenting the presence. Would they have the ability to verify that it’s there in the same way that they’re able to check for radar detectors?

Mr. Frank Klees: So they’re asking for two specific things. One is that the legislation be clear that they have the right to search the vehicle for the device, and second, that they be given discretion to determine whether or not the device they found was, in fact, impairing.

Mr. Marco D’Angelo: They’re not asking for that discretion, but they are asking for guidance as to whether that’s going to be their role. Are they being asked to document the presence of the device? Are they being asked how far in the vehicle they are able to examine to determine that the distracting device is present and it’s a device that’s on the list of unauthorized devices to use while driving?

Mr. Frank Klees: Okay. I think we will pursue that with the ministry, then, to get clarification—not now, but during our clause-by-clause. These are good questions and I think we need to know that. If there are some amendments that you or your stakeholders would propose that would help clarify that, we’d like to hear from you so that we can include those in our discussions.

Mr. Marco D’Angelo: Okay.

Mr. Frank Klees: Finally, with regard to the second test, I found it actually quite curious that this legislation would contain that provision and I’m still wondering where the recommendation for that came from, because we’re essentially saying in legislation that the test that’s being taken at the roadside is not reliable. That’s quite an admission for the government, as a starting point. If it’s up to the individual to request the second test and the

second test is a piece of equipment that is not portable, that in itself speaks to the unreliability of the equipment that is roadside. Do you have a comment on that?

Mr. Marco D’Angelo: I don’t have a comment on the ministry’s view of the first test; I’m not aware of what their view is. The part that we’re commenting on mostly is that we are happy to see that if a second test is requested, there is at least now a point in time where it must be asked for, beyond which it is considered too late. For example, as it stands now, much more time—a not necessarily defined amount of time—can pass if the person asks for a second test at some other time.

Mr. Frank Klees: Mr. Chair, if I might make a request of research in preparation for our clause-by-clause, if there could be some research done on the issue of getting some information from the ministry as to the motivation for this second test and on the whole issue of reliability of this roadside equipment. It’d be very helpful for us to understand what’s going on here in this part of the legislation.

The Chair (Mr. David Oraziotti): Okay. Point well taken. Thank you very much for your presentation. That’s all the time we have for questions.

TORONTO CYCLISTS UNION

The Chair (Mr. David Oraziotti): I believe our next presenter is here, the Toronto Cyclists Union, if you’d like to come forward.

Good afternoon. Please state your name for the purposes of our recording Hansard and you can begin your presentation. I understand you’re speaking to Bill 126; you have 10 minutes.

Ms. Yvonne Bambrick: Thank you. My name is Yvonne Bambrick. I’m the executive director of the Toronto Cyclists Union. We launched in May 2008 to represent the cyclists of Toronto, not just focused on the downtown core but across the wards of Toronto. I’m here to speak on behalf of the “we” who are the cyclists of the city, specifically about the definition of e-bikes. Our position statement is coming around to you. I’m just going to go through it and if you guys have questions, that would be great.

We believe that e-bikes or electric bicycles should be nothing other than traditional-style bicycles, primarily powered by pedalling, that have minimal power assist, not capable of exceeding 20 kilometres per hour and simply available to boost the cyclist’s ability to get up hills and to keep them moving if they need a short break on longer-distance rides. Any electric bike that resembles a scooter or moped should be considered an e-scooter and be subject to the rules that apply to that type of motor vehicle, a slow-speed motorcycle.

1640

I’d like to echo the previous speaker and suggest that anything that falls in that category of more scooter-like vehicles be subject, as they mention—this is not in my notes; this is in addition to them, obviously, as per the recent speaker, that moped-style electric vehicles be sub-

ject to licensing and insurance. As per some of the points that I'll make now, I think they'll need it.

Some of our concerns around e-bikes that are more moped-style: I think one of the biggest problems is that currently there is a lack of specific rules about what exactly qualifies as an e-bike. We've heard of one scooter-style e-bike that was being sold with marketing materials that described the pedals as being removable as one of the features—so, really making it very clear to any manufacturers that removable pedals is not a way to sell an e-bike if it's supposed to be something that's pedalable.

Scooter-style e-bikes are far too heavy. You guys know what I mean when I say a scooter or a moped, right? The sort of broader, heavier frame, not even resembling a bicycle at all—that's really our concern. We'd like to see e-bikes defined as bicycles. Scooter-style e-bikes are too heavy and could easily harm regular cyclists in a collision if they are allowed to use bike lanes and pathways. They much more closely resemble and behave like motorcycles and should be classified in a manner that reflects this.

Scooter-style e-bikes have no place on sidewalks. We have seen them parked in the middle of sidewalks, blocking the entire path, as well as being driven down sidewalks. It's one thing for bikes to come up onto sidewalks if they need to use the bike parking that's stationed on sidewalks, but the way it's currently listed in the bill, these e-bikes would have access to the same facilities as bicycles. So there's just a concern about them in the pedestrian realm, in particular given their size and their speed.

E-bikes appear to be too silent when running on electric power. Not having the regular giveaway sounds such as chain and weight-bearing/shifting sounds that occur as the rider pedals make these hard to perceive when they are approaching. This could be of particular concern when the vehicles come into contact with the pedestrian realm at crossings, in particular when considering the visually impaired, who rely even more heavily on audible cues.

The Toronto Cyclists Union does understand the need for accessible and active transportation options for those who have decreased physical capacity to ride a regular bicycle. However, we strongly believe that if the Ministry of Transportation is going to promote e-bikes—and we'd love to see the promotion of something that is much more closely resembling a bicycle with power-assist—the definition of what qualifies as an e-bike should be much more clearly defined, expressly communicated and strictly enforced.

We believe that the MTO should also seriously address the fact that the cycling infrastructure currently in place in relatively few parts of mainly urban centres is sorely inadequate for accommodating current users, let alone the additional users that would come from promoting e-bikes as a new form of transportation.

The Toronto Cyclists Union therefore strongly recommends the following:

—that support, encouragement and resources for the implementation of additional cycling infrastructure across Ontario accompany any e-bike promotion initiative pursued by the MTO;

—that the MTO do more to promote traditional cycling as an active form of transportation in tandem with, and perhaps even as a priority over, e-bikes; and

—that both the driver education training guidelines and driver's licence testing be updated to include much more content regarding how cyclists use the roadways and the need and responsibility of all drivers to share the road.

Within the bill, I think we need much more clarity around what an e-bike actually is. I think specifically around the shared use of cycling infrastructure, that's where there's concern on behalf of Toronto cyclists. We're just barely starting to get the political will to really start moving—I speak for Toronto, obviously—to get cycling infrastructure in place. I don't know if any of you noticed, but last summer there were more cyclists than ever and not quite enough bike parking and space on the roads to accommodate them all. When you keep that in mind, on top of which something like this promoting a vehicle that may or may not fit into what's already there, I think there's more to be done. We need more clarity around the definition, and I don't think the definition should include anything other than, as I said, a bicycle that has minimal power-assist.

I think that's it. Any questions?

The Chair (Mr. David Orazietti): Thank you very much for your presentation. We have about three minutes for each caucus for questions.

Mr. Bill Mauro: One quick question, perhaps not directly related to the legislation or your presentation. In Europe they've just come up with an interesting solution to accommodate more cyclists, encourage the use of bicycles and get people out of their cars. I can't remember exactly what it was about, but it was something where they had these stations and the bikes were owned by the government, municipal or otherwise; I'm assuming municipal.

Ms. Yvonne Bambrick: There's Vélib' in Paris.

Mr. Bill Mauro: I'm sorry?

Ms. Yvonne Bambrick: It's almost like it's part of the transportation system. It's a public bike-sharing system.

Mr. Bill Mauro: Right. Can you talk to us a bit about that?

Ms. Yvonne Bambrick: Sure. I know that the city of Toronto is looking into a bike-share system here that closely resembles what has been rolled out in Montreal, which is the Bixi program. I know that's currently in development. We had a bike-share system in Toronto, but that was run by a non-profit—not very large. It only had about a dozen and a half stations, mostly across downtown.

The success of bike-sharing programs is usually related to the size and the availability of them around the city. I know the city is now looking at a wider-spread

system here and it's currently in development. Again, we come back to infrastructure. It's one thing to have a system like that, but if you don't have the bike lanes that make people feel safe enough to get on a bike in the first place, especially if they're going to have to compete with an e-bike that's actually a moped that should be licensed and have insurance, we're getting into dangerous territory there, which is why we're very concerned about what that definition is.

The Chair (Mr. David Oraziotti): Mrs. Jeffrey, we have time for one question.

Mrs. Linda Jeffrey: Just a quick question: Can you tell me a little bit about the Toronto Cyclists Union? Is it recreational? Is there anybody who does this for a living, like couriers, as part of the group?

Ms. Yvonne Bambrick: Does which for a living, exactly?

Mrs. Linda Jeffrey: I'm just wondering if there are any couriers as part of your cyclists' union.

Ms. Yvonne Bambrick: Not really. We're mostly representing commuter cyclists. That seems to be the focus. There are groups like TBN, the Toronto Bicycle Network, that seem to work with more recreational cyclists. We've been focused on infrastructure in the urban setting across Toronto, but really focused on commuters and making the circumstances around which you would ride a bike feel better. The number one concern has been the lack of bike lanes. Second to that is the lack of parking enforcement in the bike lanes that exist already: delivery vehicles, taxis, people stopping. Making people go out into traffic is the second concern. But no, we're really focused on infrastructure and commuting as part of the transportation system.

The Chair (Mr. David Oraziotti): Mr. Klees.

Mr. Frank Klees: Thank you, Ms. Bambrick. How many members does your organization have currently?

Ms. Yvonne Bambrick: Five hundred and fifteen thus far.

Mr. Frank Klees: How many commuter cyclists would there be in Toronto on the road on any given day?

Ms. Yvonne Bambrick: In the most recent census, I believe there were close to a million people who said they take their bicycles to move from A to B, either to run small errands or to get to work.

Mr. Frank Klees: I'm interested in your comment about the infrastructure, because I'm seeing it as I'm driving to Queen's Park. It seems to me that maybe we've got this thing backwards. Your concern is with regard to e-bikes. Now we're releasing another class of vehicles into those bike lanes that you say already are inadequate. It seems to me that what we're moving towards is bicycle gridlock if we don't get the infrastructure catching up with the good intention of this legislation, particularly with regard to the e-bikes.

We had a presentation at our last hearing from someone—I think Sinatra was the name of this e-bike. It looked like a scooter and was pretty substantial, actually. I'm trying to picture how that vehicle, a so-called e-bike, will coexist with what I see as the traditional bicycle, and

how this is going to all shape up. Could you just comment on that?

1650

Ms. Yvonne Bambrick: That's the problem. That's why I'm here. I don't think mopeds have any place in the little infrastructure that we currently have for bicycles. I think we're only barely scratching the surface of accommodating bikes within our transportation system with the bike plan that exists.

Mr. Frank Klees: I think that particular vehicle has a speed up to 35 kilometres an hour.

Ms. Yvonne Bambrick: Yes, I think that's a big mistake, to allow that in.

Mr. Frank Klees: There aren't too many cars that travel 35 kilometres an hour in the city of Toronto. Would you go so far as to say that those e-bikes, with those specifications, should actually be precluded from the bicycle lanes that are currently in place now?

Ms. Yvonne Bambrick: I don't want to see them in bike lanes or using bike parking. There's barely enough of that stuff to accommodate bicyclists. These are self-propelled people who move through the city, right? Having a motor makes a huge difference, for all the reasons stated before: the weight, the way they move. If you can imagine someone who's on their motorized moped, bicycle, whatever you want to call it—there's good standstill traffic; they want to go fast; they jump into the bike lane and speed past cyclists, squeeze between almost-parked cars in traffic. Think of all the different things that could happen in that scenario. There's danger there.

Mr. Frank Klees: You've raised some important issues. I think it behooves this committee to deal with that, perhaps through some amendments, because I think, obviously, the intention of the government is good. I think there are some circumstances here where we could regret putting some of these vehicles into conflict with cyclists in the city. I'm sure that the ministry will be open to that, and, through the leadership of the parliamentary assistant on this and other matters, we'll be able to improve this legislation considerably.

Ms. Yvonne Bambrick: We would be happy to assist in anything around this issue.

Mr. Frank Klees: If you have any recommendations with regard to specific amendments that you would like to see, if you would send those in to us, please?

Ms. Yvonne Bambrick: Sure. Yes.

The Chair (Mr. David Oraziotti): Thank you, Mr. Klees. Thank you for your presentation, Ms. Bambrick.

Ms. Yvonne Bambrick: Thank you.

The Chair (Mr. David Oraziotti): I'm sorry. Pardon me. Mr. Prue has questions. My fault.

Mr. Michael Prue: Thank you. A couple of questions. I think it goes without saying that people in these scooters and some of the larger e-bikes should be licensed. I've heard people, though, talk about licensing of bicyclists. I have to tell you: Some of them should pass a road safety test.

Ms. Yvonne Bambrick: I would agree with you. Yes, there are bad cyclists just like there are bad drivers; you're right.

Mr. Michael Prue: But there doesn't seem to be any way to control adults driving at pretty high speeds on sidewalks with pedestrians. I see that almost every day.

Ms. Yvonne Bambrick: We have a lot of public education to do around that. I would agree.

Mr. Michael Prue: And you were talking about cyclists locking up bicycles on sidewalks. Should there be somewhere other than sidewalks to lock them up on?

Ms. Yvonne Bambrick: Absolutely.

Mr. Michael Prue: I think the sidewalk is for pedestrians. The bike lane is for the bikes. The rest of the road is for the cars. That's the way I see it, at least.

Ms. Yvonne Bambrick: Except where there's no bike lane. Every roadway is a shared roadway. Bike lanes, when they exist, are definitely where bikes should be.

As for parking, one of the recommendations of the Toronto Cyclists Union, in order to accommodate the parking needs of cyclists on really heavily used routes, is to remove one car parking spot and add bike parking in a car parking spot. You can get 10 to 15 bikes in one car parking spot. That's a great way to get bikes off sidewalks, remove clutter from sidewalks and accommodate the new street furniture, and it's something that can be seasonal as well. So in the months when there are the most cyclists on the roads, you can have those parking spots be dedicated to cyclists. Montreal has been doing this successfully for at least a couple of years now, so there's no reason we can't do it here.

Mr. Michael Prue: The reason I ask in terms of cyclists being licensed is because, if you have to get a licence, first of all you have to pass a test; you have to understand the rules of the road. But you can also have the licence taken off you if you continue to flout the law. I don't know how you stop someone who continues to flout the law on a bicycle from doing all the things—I saw one yesterday go through a red light. Didn't care; just looked and just went through. I can't do that in my car, but he certainly did it.

Ms. Yvonne Bambrick: Sure. Let's go back to riding on sidewalks. One of the reasons cyclists have been doing that to date is because they don't feel safe on the roads, because there is no safe place for them to ride. There's not enough of a bike lane network in the city yet. We're getting there. We're only just starting to really respect cyclists on the road, and even that is pretty limited to the downtown core. If you try and ride out to North York or over to Etobicoke or Scarborough, it changes dramatically. So people haven't felt safe on bikes. There's a critical mass of people riding now, and I think drivers are starting to understand that bikes are even allowed to be there, but daily I'm told, "Hey, what are you doing on the road?" There are still a lot of drivers who don't respect cyclists. So that does scare some people onto the sidewalks, and that's another reason we're asking Ontario to get behind more bicycle infra-

structure. We can help people fix their bad behaviour by making them feel safer on our streets.

Mr. Michael Prue: We also make motorcyclists wear a helmet. Should we be making people on e-bikes wear a helmet? Conversely, should we be making adults riding on major busy streets, like in Toronto, wear a helmet?

Ms. Yvonne Bambrick: The helmet issue, on a motorized vehicle, especially one that's a moped—I would definitely agree. The speeds that you can reach depend on the vehicle and what its capacity is, but I think, on a motorized vehicle, a helmet is probably a good idea. I think it's already the case that it's required for mopeds. Licensing and helmets are a deterrent to getting people out of their cars to take bikes, to choosing cycling as an alternative to motor vehicles. I don't believe that licensing should be pursued and I don't believe helmet use should be mandatory for anybody over 18. It's not a necessity in Copenhagen. We can do that here. What we require is better infrastructure to accommodate those cyclists and better public education to let folks know that they have to share the roadway. It feels like battle gear, to a certain extent, when you're on a bike. You're not going to be going much faster than 15K to 20K, and it's a turn-off for a lot of people. If we want to have people making healthier, greener choices, decreasing their personal footprint, taking better care of themselves physically through exercise, having anything that stands in the way of that choice I think is a mistake. But for higher-powered vehicles, yes, I believe a helmet does make sense, as it does for motorcycles.

The Chair (Mr. David Oraziotti): Thank you very much. That's all the time we have for questions. Ms. Bambrick, again, thank you for your presentation.

ALEXANDER POVOLOTSKIY

The Chair (Mr. David Oraziotti): Our next presenter is Alexander Povolotskiy. I hope I pronounced that correctly.

Mr. Alexander Povolotskiy: Yes, quite correctly. Thank you.

The Chair (Mr. David Oraziotti): You can just state your name for the recording Hansard. I understand you're speaking to both Bill 118 and Bill 126. You'll have 15 minutes for your presentation, and five minutes for questions.

Mr. Alexander Povolotskiy: Mr. Chairman, members of the committee, members of the public, good evening. I'm Alexander Povolotskiy and I would like to present my viewpoint on two bills: One is Bill 118 and the other one is Bill 126.

I understand you've been hearing public speakers for all day yesterday and most of today, so I won't take all the 15 minutes of my time. I'll just, if you allow me, walk through the major ideas and bullet points for each bill, so it'll take me about five minutes. If you have questions I'd be delighted to answer them afterwards.

Bill 118 is the bill prohibiting the use of devices having displays in cars, not to distract drivers. In the way

this bill is being presented to the public it is simply not passable, for a number of reasons. One is that it is not enforceable. I understand that this bill is aimed at prohibiting or avoiding distractions of drivers caused by mostly mobile and cellphones. But when the potential offender is caught by the police officer, it is his word against mine, and basically there are very few ways to prove that the offender actually broke the law. So I see no way how this bill, if it is passed, could be effectively enforced. We've all heard the stories of police officers in BC and, "Who is overseeing the police force there?" So basically, is it the question of more legislation or enforcing the existing ones? In my understanding, it is more important to enforce the existing ones.

1700

In addition, Bill 118 is phrased out in such a manner that such devices as your in-car radio, MP3 or CD player actually fall into the category that has display screens that don't show technical car details, like the speed and so on and so forth, which are allowed. Basically, if you read this bill by the letter, one could get a feeling that a built-in, in-car radio or MP3 or CD player could also be prohibited.

In the way that it is written right now, it could not be passed for these two reasons. Those are basically my two major points for Bill 118.

Should I stop here, Mr. Chairman, and wait for questions, or should I proceed to Bill 126?

The Chair (Mr. David Oraziotti): No, I'll ask you to present all of the information that you have, and then we'll proceed to questions, if that's okay.

Mr. Alexander Povolotskiy: Thank you. The next bill, Bill 126, is basically about the young offenders, young drivers using alcohol and driving, so drinking and driving. I am in full support of that bill but, in my understanding, it should include intoxication by means of drugs as well, because youth and kids these days have more ways than alcohol to intoxicate themselves. This bill is mostly about the abuse of alcohol, but it should include intoxication by drugs and other substances such as glue, cigarettes etc.

This is all I wanted to present to you, gentlemen.

The Chair (Mr. David Oraziotti): Thank you for your presentation. We'll start with members of the opposition. Mr. Klees, if you have questions, we have about three to four minutes per caucus.

Mr. Frank Klees: Could I ask what your occupation is?

Mr. Alexander Povolotskiy: Yes. I am regional manager for an industrial real estate firm.

Mr. Frank Klees: Okay. I thought perhaps you had some expertise in terms of law enforcement, or I thought maybe you were a lawyer.

Mr. Alexander Povolotskiy: Not necessarily. I hold two MBAs, two master's degrees from the States. Therefore, it gives me a certain understanding of legal procedures and—

Mr. Frank Klees: You raise interesting points regarding enforcement. We've asked some of those questions as well and will continue to.

The previous witness came forward and, on behalf of police services, was asking some questions that we'll look to the government to respond to in terms of what role the police officer will have, what discretion they'll have and on what basis they'll lay the charge.

I think what is particularly important here is, at the end of the day, what this will do to our court system if this legislation is not tightened up. In fact, there are no demerit points that will be assessed for conviction under that section. When I asked the question why, if in fact the government believes so strongly that this is an important issue, they would not put in place appropriate consequences for breaking the law, the response was, "Well, our concern is that if it involves demerit points, this will in fact clog up the court system"—because now it's no longer a cost of doing business, where you simply pay the tax; now people have something at stake, like their licence, and they will challenge it.

I think you raise a very important point here that the government is well advised to look at very carefully and tighten that area up, so that everyone knows what the rules are and it can be enforceable, if they choose to continue.

With regard to your comments about the lack of definition about the devices within the car, again you make a good point. I'm still trying to understand how the government is going to deal with equipment such as a GPS. We're told that as long as it's built into the dashboard and is there by the manufacturer's specifications, then it's okay. But there are portable GPS units that you can permanently fasten onto the dashboard. Does that qualify? We don't know. I would think that someone is going to deal with that relatively quickly, and we're going to want some explanation from the ministry. But I think, again, we'll need some amendments to this legislation to clarify all that, unless the ministry staff already have answers, in which case it would be really good to hear from them when we get to, perhaps, the clause-by-clause discussion of this bill. I want to thank you for raising the points.

I'd love to give the parliamentary assistant an opportunity to respond specifically to these questions. She doesn't have to do that, but if she would like to, I'm happy to give her the rest of my time.

The Chair (Mr. David Oraziotti): You've left her about 15 seconds.

Mr. Frank Klees: Can you do it in 15 seconds?

Mrs. Linda Jeffrey: I have questions of my own—

Mr. Frank Klees: Okay. We will look forward to discussing those issues with the government. I thank you for raising them.

Mr. Alexander Povolotskiy: Thank you. You complemented my introduction well.

The Chair (Mr. David Oraziotti): Mr. Prue?

Mr. Michael Prue: You were talking about alcohol, and I think everybody agrees you shouldn't drink and

drive. I have two questions. The first is, it seems to be targeting young people. Is somebody who gets a licence at 60 years of age and starts driving a car for the first time and has had a drink any more or less likely to be in an accident than somebody who is 19? Both are legally entitled to drink, both are legally entitled to drive, both have just learned how. What's the difference?

Mr. Alexander Povolotskiy: Very good question. First of all, the laws should be the same for everyone. Statistically speaking, younger drivers tend to have more accidents on the road, and alcohol just adds to that. As to people with grey hair, let's put it this way: They have more experience and are better prepared for the situation on the road. Therefore, the enforcement of alcohol abuse and driving intoxicated by young drivers—they should have more penalties, in terms of up to the suspension of their driver's licence.

Mr. Michael Prue: So you agree, then, that this is a form of ageism: that we will give harsher penalties for the same offence to somebody who's young than to somebody who's old, even though the circumstances are identical. They've both had a licence for less than a year. They both are legally entitled to drink.

Mr. Alexander Povolotskiy: Yes. The laws should be the same. I understand your point. Should there be any age discrimination? Well, actually—

Mr. Michael Prue: It seems to me you're indicating yes.

Mr. Alexander Povolotskiy: I indicate yes, because actually Bill 126 is all about this, if you read through the lines. Honestly speaking, there is no excuse for drinking and driving at any age. What I am saying is, statistically speaking, younger drivers have less experience than adult drivers, and therefore there is no room for error. Let's put it that way.

Mr. Michael Prue: You also made a comment which I found intriguing, and that is that you think anything that causes an intoxication, including cigarettes, should be banned.

Mr. Alexander Povolotskiy: I put it in a broader way. What I meant to say was, if you smoke a pack of cigarettes, for instance, will you be as intoxicated as after a couple of shots of whatever alcohol—

Mr. Michael Prue: I think you'd be at least as dizzy if you did it in a short time, yes.

Mr. Alexander Povolotskiy: Absolutely, one after another. I would include intoxication from a number of substances, not limiting that to alcohol. So I would include glue, drugs, cigarettes.

Mr. Michael Prue: So if somebody were tested and they had nicotine in their system to a greater extent than was deemed normal or acceptable, they too could be charged and lose their licence?

1710

Mr. Alexander Povolotskiy: It's not about the chemistry of the blood. It is about the response, or the delayed response, that they have to the road conditions and situations. So if that substance delays their response to the road situations to the state where they could be in

an accident or can cause an accident, then they should be suspended.

Mr. Michael Prue: How would that be tested?

Mr. Alexander Povolotskiy: By the ways currently available to the police force. Breath sampling is only one of the methods. As far as I'm concerned, other methods are still in use to determine if the person is intoxicated or not and if his reaction is appropriate.

Mr. Michael Prue: Thank you.

The Chair (Mr. David Oraziotti): Thank you for your response. Thank you, Mr. Prue. The government side, Mr. Mauro.

Mr. Bill Mauro: Thank you, Mr. Povolotskiy, for your presentation. Mr. Prue has raised the issue of the zero-alcohol part for drivers up to the age of 21, describing it, I guess, as ageism and discrimination. I'm not sure if he supports it or not. He seemed intent on trying to get you to state your position on this.

I guess my question would be, if that's considered ageism or discrimination, then likely the entire graduated licensing system, which treats an age parameter of younger adults differently than someone 60 years old as a first driver, would be considered ageism and discrimination as well. Would you agree with that also?

Mr. Alexander Povolotskiy: Yes, I would agree to that statement. But what we face in reality is age discrimination throughout any field, be it employment or education or even driving.

Mr. Bill Mauro: Right. Thank you. Thank you, Chair.

The Chair (Mr. David Oraziotti): Thank you, Mr. Mauro. Mrs. Jeffrey?

Mrs. Linda Jeffrey: Thank you for coming today. We have had lots of groups come before us, but not as many individuals, so thank you for being here today.

What I would like to make sure—one of the things you said was that Bill 118 was not passable, wasn't enforceable. Certainly, in the discussions we've had with external stakeholders, one of those stakeholders was the Ontario Association of Chiefs of Police. I don't think we operate independently; we try to find out that the people who are likely to enforce this legislation have been consulted.

I don't think we would have put something together that was unenforceable. It's important that we work with the police services and the officers to make sure that what we put on the table has some chance of success, ideally because we want to reduce the number of injuries across Ontario. If we're losing hundreds and thousands of people due to collisions, it's important that we put something on the table.

It would appear from the first comments you made that rather than put something on the table that you feel is unenforceable, we should do nothing. What would your recommendation be? I think everybody in the room has seen a distracted driver. Would you have us do nothing? What other suggestions would you have?

Mr. Alexander Povolotskiy: I've seen distracted drivers myself. We're all drivers, and we're all users of

mobile phones. Some of us are users of GPS systems that are not built into the system.

What I would suggest is to specify what falls into the category of forbidden items to be used in the car by the driver. A mobile phone: If I read a text message, is it prohibited or not? Am I breaking the law? If I turn the screen down on my mobile phone, if I hide it in the glove compartment, is it still prohibited? So it needs to be clarified exactly.

After all, will it still be enforceable after that? If a police officer stops me on the road, seeing me using the phone when I was driving, and I put it down to speak to the police officer, it's his word against mine. There are no witnesses. So it might clog, really, the judicial system and the courts because there will be disputes for sure. There is no certain way to determine if the offender has actually broken the law or committed the offence. This particular bill, Bill 118, could be read in more than one way, in multiple ways, so interpretation is multiple.

Mrs. Linda Jeffrey: Thank you for coming. I think our intention here is, to be absolutely clear, we don't want distracted drivers. We want people who are focused on their driving. We will make the bill as clear as we possibly can based on delegations like yours. Thank you.

Mr. Alexander Povolotskiy: I agree on that.

The Chair (Mr. David Oraziotti): Thank you, Mrs. Jeffrey. That's all the time we have for questions.

Thank you very much, Mr. Povolotskiy, for your presentation.

Mr. Alexander Povolotskiy: Thank you, Mr. Chair.

ROBERT BATEMAN HIGH SCHOOL

The Chair (Mr. David Oraziotti): The last presentation before the committee today is Robert Bateman High School. I understand we have some students here to make a presentation, if you'd like to come forward, please.

Good afternoon. I understand that you're going to be speaking to Bill 126. If you could please state your names for the purposes of our recording Hansard, you can begin your presentation when you like. You have 10 minutes for your presentation.

Mr. Dylan Gibson: My name is Dylan Gibson. I'm here to talk to Bill 126, and actually, I do mention Bill 118 as well.

Ms. Chelsey Meehan: Chelsey Meehan, on Bill 126.

Mr. James Gike: James Gike, on Bill 126.

Mr. Dylan Gibson: My colleagues and I stand before you today not to argue and criticize but to ultimately achieve the same result concerning youth. Our goal, as kids first, but also as academics, is to represent the views of our generation to the best of our abilities while also expressing personal opinions in the process. Some might agree or choose to disagree with our statements, but variety is what makes us uniquely human and allows us to thrive in a free and democratic society.

Teenagers all over Ontario are responding to the proposal of these laws, and attention must be paid. It is only

fair that the public governed by these laws be able to contribute their ideas. We are the voices of teenagers. So I stand before you today to ask to be heard and considered, not as another teen, but as your son or daughter looking for answers to questions that matter.

The Chair (Mr. David Oraziotti): Excuse me, can you just speak a little closer to the microphone so they can pick you up a little better? Thank you.

Mr. Dylan Gibson: Yes.

I do agree with the proposal of the new driving laws but go further in stating that the immense task of protecting youth drivers must be the shared responsibility of the government, police and parents. The government must enact tougher legislation with harsher penalties for lawbreakers. Police must focus on the effective enforcement of driving laws, and parents must continually be aware of their responsibility as role models and the impact they can have upon their children.

It is concerning to note that motor vehicle accidents are the leading cause of death for 15- to 24-year-olds. The government must make changes to the existing graduated licensing system and street-racing laws, as well as move ahead with the proposed cellphone ban. In today's traffic, young drivers need to spend more time on the road with an experienced driver. That's why the most productive alteration to the graduated licensing system is the amount of time necessary to achieve a full G license. Studies have determined that practical experience has a direct correlation to road safety and awareness.

Another significant change restricted drivers under the age of 21 to a blood-alcohol concentration of zero, as opposed to the current 0.08% with the G licence. The proposed law would also have restricted the number of teens in a G2 driver's car at any time during the day. This provision was dropped due to tremendous negative feedback; however, studies have shown that each passenger in a new person's vehicle increases the risk by 50%. It has been proven that due to the development of the human brain, youth drivers cannot handle multiple teens in the car. Instead of completely dropping this provision, the government should consider changing the amount of time from six to 12 months for carrying teenaged drivers between the hours and 12 and 5 a.m.

Bill 203, or the street-racing law, defines street racing and reckless driving, among other things. Unfortunately, it does not differentiate between the age and driving ability of those driving 50 kilometres an hour over the speed limit. It has been discovered that an increase of 50 kilometres per hour will make a driver six times more at risk of death. Due to the variances in ability, the threshold for street racing should be lowered for novice drivers until 21, similar to drinking.

The proposed cellphone ban is relevant in this situation because teens are generally more dependent on their phones than others. The main function of a young person's cellphone is texting. Not surprisingly, this phone-related action poses the greatest threat to safety. Any type of cellphone use has a negative effect on response time and cognitive ability. The University of

Western Ontario and the Ontario Medical Association went as far as to say that the risk of collision is four times higher when using a cellphone, and the distraction is equivalent to having a blood-alcohol concentration of 0.08%, which is the limit.

The police can only enforce laws as well as they are written. Driving laws need to be prioritized by police agencies, and courts need to emphasize that youth will get punished if they break the law. Currently, our driving laws are not deterring kids from committing illegal acts. For example, after 12 months, only one eighth of drivers charged with street racing were actually convicted. However, these laws should be beneficial because they change procedures for youth infractions and repeat offenders using a new three-strike system.

1720

On a slightly different note, the Ministry of Transportation should change the content and method in which driver's education courses are taught. Despite new technology, little has changed in the way teens have been educated over the past 15 years. We can all testify to that. The number of in-car training hours should be increased because the most effective way to develop ability is through practical experience.

Finally, parents of teenage drivers are another determining factor in life or death on the road. The laws in place aren't always enough and parents need to be role models and instil the proper mindset and morals needed for safe road conduct. Twenty-five per cent of teens will have a crash in their first year of driving, meaning the odds are in favour of your son or daughter being in an accident. Parents must make road safety their top priority when their child is of driving age. A tough-love mindset is necessary, because a child is nine times more likely to die while driving than their parents, and death while driving poses the single greatest threat to a young person's well-being.

The simple matter is that teenage drivers are in real danger. The government, in collaboration with police and parents, need to facilitate change in order to stop this continuing trend. Protecting youth drivers is a three-tiered initiative: When one level fails, all come down with it. The cost of inaction is far too high. We have all seen the sad roadside reminders of young lives lost too soon. It is within our power to help stop the carnage.

Now my colleague and friend has a couple of words.

Ms. Chelsea Meehan: I believe the government is on the right path, but revisions are still necessary. To begin, Bill 126 limits young adults to make it even more impossible for them to become independent. Ontario students enter their first year of university roughly at the age of 18, when they are expected to become much more independent, yet they are unable to drive legally by themselves. If they have to have a G1 for up to 18 months, as the bill proposes, that means that teenagers are dependent on a parent or guardian for that much longer, which is a full half-year longer than it is now. Moreover, driving tests are taken at any time after the age of 16, and therefore it is true that teenagers become much more

knowledgeable of the technical points of driving. As well, they are much more focused on driving carefully compared to adults who have not taken technical tests in many years and feel more comfortable on the road.

This begs us to ask the question, "Why 21?" At the age of 18 you become a legal adult with the ability to vote, but you are unable to drive on your own? If they are going to raise the age at which young adults are able to drive, why not lower the age of when seniors have to retake their test? This also leads to the slippery-slope effect. If we change the new laws to 21, what else will the government want to change to this age? Furthermore, in cities where public transportation is limited, how does the government expect young adults to get around? Parents cannot always be relied upon to drive everywhere, and by changing specific laws to the age of 21, teenagers may become stranded or extremely reliant on parents or guardians, possibly causing much unneeded stress.

In addition, many teens are intimidated by the entire system, and by making it even more difficult to obtain a licence with these laws, many more teens will be deterred from obtaining a licence right away, possibly waiting until they are older and might feel more comfortable on the roads, and therefore people will be in their early 20s before they obtain a full G licence.

Finally, there also seems to be a contradiction. The NDP government of 1994 brought in graduated licensing in order to either elongate childhood or seemingly make it harder to become independent, yet only a few years later the Conservative government shortened high school by an entire year. How does this make sense without looking at the big picture? This also asks us to question where this bill fits into the big picture.

Thank you for your time, and now my friend and colleague James will speak.

Mr. James Gike: Ladies and gentlemen of the committee, let me begin by first restating to you that we all believe that the piece of legislation you have drafted contains excellent rules and protocols; however we are merely here on behalf of the young driving population of Ontario to offer some constructive criticism from our perspective on the parts of the legislation that we believe require improvement. We do not mean to inspire a total change in the legislation, although the public had influenced the removal of the passenger rule. This is because the three of us all firmly agree with the blood-alcohol content rule as well as the proposed cellphone ban. The middle ground is what we are attempting to achieve with you here today. Our hope was to provide you with a perspective of the demographic for which the legislation is targeted.

Eighteen-year-olds such as us are getting ready to go out into the world in which our freedoms and responsibilities are increased. The extension of the graduated licence program will, in fact, hinder our freedoms. In today's economy, many students will need to commute to school. This legislation will prove to be yet another barrier to post-secondary education in Ontario. Also, young

adults need to get to their own jobs by way of their own vehicles, and prohibiting them to do so is prohibiting the economy to advance. Being that we're in a recession, the government should look to the demographic with the most dispensable income and enable them to spend more. If this legislation were to pass, young adults would be hindered from the amount of income they would receive and, in turn, spend.

Furthermore, the question of "Why 21?" may be raised. If you were to make this legislation concrete, it may result in the slippery-slope effect, in which some of the privileges currently guaranteed at ages 18 and 19 would be moved to age 21. If this were to happen, we, as youth, would become more sheltered from the real aspects of life and not be prepared for the day we step out into the real world.

We encourage you to take the perspective of the young driving population of Ontario into consideration as you further your work on this piece of legislation. This legislation was drafted quite hastily and therefore, before any decision to pass it or not is made, it must be revised.

The teenaged population of Canada cannot always rely on their parents for everything until we turn 21. If we are not rewarded with some responsibilities prior to that, we will be unwilling to leave the comfort of our own homes. In essence, you would be extending the age barriers of the youth demographic from age 18 to age 21.

Yes, it is true that driving is a privilege for teenagers and young adults, but that privilege comes with benefits to families and the government. And yes, there is an inherent danger in anyone driving; however, there is danger in a multitude of things that we may do around the world. This very day, there are soldiers fighting overseas in Afghanistan, risking their lives for our country. So I ask you, if the age we are able to go overseas and fight and possibly die for our country is 18, then why may we not get behind the wheel? Thank you.

The Chair (Mr. David Oraziotti): Thank you for your presentation and your thoughtful comments. We will start with the member of the third party. Mr. Prue, do you have questions?

Mr. Frank Klees: Could I just ask, Chair, how much time we have?

The Chair (Mr. David Oraziotti): We have about two and a half minutes.

Mr. Michael Prue: When I came in today, there was a letter on my desk—I think all members got it—from a Meghan Stenson. I think Meghan is probably a young person, and she asked the question: "And bottom line for me, you can die for your country at 18, yet the Ontario government wants to restrict driving privileges to 21. A solution: drinking age 21, driving age 21, smoking age 21, armed services 21, voting age 21 etc. Level playing field for all."

What do you think of that?

Ms. Chelsey Meehan: Is that directed to any specific person?

Mr. Michael Prue: Pardon? I don't know—

Ms. Chelsey Meehan: Is that to any specific one or can we all—

Mr. Michael Prue: No. You came together, so whoever wants to answer.

Mr. James Gike: I believe that might be the effect of passing this piece of legislation. However, if you were to extend all those ages to 21, then why are the three of us able to go to university? Why was grade 13 eliminated? In essence, the freedoms we have going into university are almost nonexistent. For example, I've been accepted to the University of Guelph-Humber, which is just off Highway 27. That is a commuter school. On occasion, I do intend to drive down there, and if I'm unable to drive down there, I will be spending just about \$5,200 a year in transportation fees.

Moreover, 18-year-olds who go into the army often enlist at that age to go into the reserves as a possible career choice. So you'd be restricting those who have just graduated high school from pursuing a career and possibly gaining more income to be able to live on their own and such.

Mr. Michael Prue: Okay. I think the person was upset that it was going up to 21. I think she was trying to say this is the consequence; I don't think she was advocating that.

The Chair (Mr. David Oraziotti): Mr. Prue, that's the time we have.

Mr. Michael Prue: That's the time, okay.

The Chair (Mr. David Oraziotti): Thank you. Government members, please?

Mrs. Linda Jeffrey: Thank you for coming. I tried to encourage some of my high schools to come out and have an opinion on this, but you're the only one that I've seen so far on our agenda, so congratulations. This is difficult, to come and talk before a committee. I know it can be a little shell-shocking to come in here.

I think there's a little bit of confusion about what the legislation is proposing. I think what we are proposing is a longer graduated licensing system, which would make it go from 12 months to 18 months with a six-month discount. So the earliest age at which one could graduate a G2 would be 17 years, as opposed to 16 years, 8 months today.

1730

I think the 21 that everybody is talking about right now is the blood-alcohol level, so you have to have a zero blood-alcohol level if you're 21 or under. I don't think any of you, based on your comments today, would disagree that you shouldn't be drinking and driving. If anybody's been led astray today that you can't get your licence till you're 21, that's not the case.

There are a lot of very motivated young people. I know I had three sons who were very motivated get their licence. Frankly, I would have been happy to have a longer G1-G2 process available because I think younger drivers need a little longer to become proficient. I hope you would agree that anyone under 21 years of age needs to have a blood-alcohol level of zero in order to ensure that the driving skills that they're just beginning to get

under their belt—they would be given time to get that experience. Would you agree with that?

Mr. Dylan Gibson: I think, after what we said today and also our personal opinions, we do agree with the fact that people our age and up to 21 shouldn't be drinking and, generally, everyone shouldn't be drinking while driving. It's just an unsafe practice. We—maybe me more so than my friends—understand that it does affect a young person's driving more so than someone who is older.

Mrs. Linda Jeffrey: Good. Thank you very much.

The Chair (Mr. David Oraziotti): Thank you. Mr. Prue, do you want to just make a point on the record on that last comment?

Mr. Michael Prue: Yes, if I could for the record—and I should have read this a little more. It says at the top “Meghan Stenson” but now, on further reading it, I see that Meghan Stenson was the person who forwarded it on and that the writer of the letter was in fact a Ralph McDowell.

The Chair (Mr. David Oraziotti): Right. That's the clerk's assistant, Meghan Stenson. Thank you very much. Members of the opposition, Mrs. Savoline?

Mrs. Joyce Savoline: First of all, I want to thank these young people for making the trek from Burlington to Queen's Park—I'm sure that was an adventure in itself—and also for having the courage to appear here. There are many adults who would shrink away from the responsibility of speaking out in a democratic arena, and my hat goes off to you today for making this trip here to Toronto and for extending your points of view to us as decision-makers.

I want to ask you just one question. I know that the three of you are interested and that your entire class was interested in this piece of legislation and you did a lot of your background checking and your homework. How much more extensively did you research with other young people you know, and what was their feeling? Do they agree with you?

Ms. Chelsey Meehan: I did find most of my high school colleagues did agree more with me than with my colleague Dylan, only because they did find a lot of the parts of legislation were limiting to people my age. As well, not only did I speak to colleagues, I did speak to parents and teachers. A lot of them did feel more comfortable on the roads, therefore they felt safer doing, I guess, more unsafe things, going back to Bill 118. A lot more parents feel more comfortable, I find, texting on the road or doing things like that; whereas, in my opinion, I find it much harder to do anything like that while I'm driving. I find myself very paranoid that something could happen. I find myself very focused on the road. So I found a lot of my colleagues who are all new drivers or have been driving only for a few months also all feel the same way. They do feel the need to become safer drivers because they do know of the unsafety. So I do believe that a lot of people did agree that some of these parts of the legislation were not as well thought through as they should be.

Mrs. Joyce Savoline: Thanks, Chelsey.

Mr. Frank Klees: Chair, might I just make one comment? I want to let these young people know that the Minister of Transportation made a point to come into this hearing and he was here for the full presentation that you made. He did have to leave, but it's a compliment to you, and I think all of us really want to thank you for coming forward. We appreciate the thought that you've put into this, and you're to be commended for that. Thank you.

The Chair (Mr. David Oraziotti): Thank you for that, Mr. Klees, and I think the entire committee certainly appreciates you coming here today and taking the time to share your thoughts and concerns with the committee. Safe travels back.

That concludes the presentations for today. The committee stands adjourned until Monday, March 23 in this room at 2 p.m.

The committee adjourned at 1735.

CONTENTS

Wednesday 11 March 2009

Countering Distracted Driving and Promoting Green Transportation Act, 2009, Bill 118, <i>Mr. Bradley / Loi de 2009 visant à combattre la conduite inattentive et à promouvoir</i> les transports écologiques, projet de loi 118, M. Bradley	G-319
Road Safety Act, 2009, Bill 126, Mr. Bradley / Loi de 2009 sur la sécurité routière, projet de loi 126, <i>M. Bradley</i>	G-319
Ontario Trucking Association..... Mr. Doug Switzer	G-319
Ontario Traffic Conference	G-322
Mr. Marco D'Angelo	
Toronto Cyclists Union	G-325
Ms. Yvonne Bambrick	
Alexander Povolotskiy	G-328
Robert Bateman High School.....	G-331
Mr. Dylan Gibson	
Ms. Chelsey Meehan	
Mr. James Gike	

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Orazietti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)
Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)
Mrs. Linda Jeffrey (Brampton–Springdale L)
Mr. Kuldip Kular (Bramalea–Gore–Malton L)
Mr. Rosario Marchese (Trinity–Spadina ND)
Mr. Bill Mauro (Thunder Bay–Atikokan L)
Mrs. Carol Mitchell (Huron–Bruce L)
Mr. David Orazietti (Sault Ste. Marie L)
Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Mr. Wayne Arthurs (Pickering–Scarborough East / Pickering–Scarborough-Est L)
Mr. Frank Klees (Newmarket–Aurora PC)
Mr. Michael Prue (Beaches–East York ND)

Also taking part / Autres participants et participantes

Mrs. Joyce Savoline (Burlington PC)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. Avrum Fenson, research officer,
Research and Information Services

CAZON
XC16
-G23

G-18



G-18

ISSN 1180-5218



Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Monday 23 March 2009

Journal des débats (Hansard)

Lundi 23 mars 2009

Standing Committee on General Government

Countering Distracted Driving
and Promoting Green
Transportation Act, 2009

Road Safety Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 visant à combattre
la conduite inattentive
et à promouvoir
les transports écologiques

Loi de 2009 sur la sécurité routière

Chair: David Oraziotti
Clerk: Trevor Day

Président : David Oraziotti
Greffier : Trevor Day

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Monday 23 March 2009

Lundi 23 mars 2009

*The committee met at 1405 in room 151.*COUNTERING DISTRACTED DRIVING
AND PROMOTING GREEN
TRANSPORTATION ACT, 2009LOI DE 2009 VISANT À COMBATTRE
LA CONDUITE INATTENTIVE
ET À PROMOUVOIR
LES TRANSPORTS ÉCOLOGIQUES

ROAD SAFETY ACT, 2009

LOI DE 2009 SUR LA SÉCURITÉ ROUTIÈRE

Consideration of Bill 118, An Act to amend the Highway Traffic Act to prohibit the use of devices with display screens and hand-held communication and entertainment devices and to amend the Public Vehicles Act with respect to car pool vehicles / Projet de loi 118, Loi modifiant le Code de la route afin d'interdire l'usage d'appareils à écran et d'appareils portatifs de télécommunications et de divertissement et modifiant la Loi sur les véhicules de transport en commun à l'égard des véhicules de covoiturage ; and Bill 126, An Act to amend the Highway Traffic Act and to make consequential amendments to two amending acts / Projet de loi 126, Loi modifiant le Code de la route et apportant des modifications corrélatives à deux lois modificatives.

The Chair (Mr. David Oraziotti): Good afternoon, everyone. I call the meeting to order. Welcome back to the Standing Committee on General Government.

MINISTRY OF TRANSPORTATION

The Chair (Mr. David Oraziotti): The first presenter is Minister of Transportation Jim Bradley. He'll have 10 minutes to make his presentation, followed by 20 minutes of questions divided among the caucuses. Whenever you're ready, Minister, go ahead.

Hon. James J. Bradley: Thank you very much, Mr. Chairman. Good afternoon. It's my pleasure to be here today with members of the committee. I appreciate the opportunity to speak with you, and I appreciate the work that you are doing on these two bills.

Last fall, our government introduced legislation that I believe will make great strides in preventing injuries and

collisions in our province. I think we recognize that the use of cellphones and other wireless devices while driving is a significant public safety issue. That is why we introduced legislation that would address dangerous distractions caused by the use of these devices while people are actually driving.

Another important component of this bill is a legislative amendment that, if the House passes it, would encourage more people to carpool.

In November, our government introduced the Road Safety Act to tackle road safety issues such as driving while suspended and impaired driving. At the same time, we announced changes to our graduated licensing system that would help novice drivers gain the skills and knowledge they need to survive on our roads. With more than two people killed and 10 seriously injured every day—yes, that's every day—we need to take aggressive action to make the roads we all share safer places for everyone, whether they're cyclists or pedestrians, drivers or passengers, and targeting some of the most persistent and dangerous behaviours on our roads will help to keep Ontarians safe.

We all know how new wireless technologies have become such important parts of our lives. They have created some tremendous conveniences and have enabled us to multi-task like never before, even when we're behind the wheel, but there are only so many things we can do at once and do well, and driving is something that requires our full attention every time we get behind the wheel.

We have introduced legislation that will put a stop to dialing, chatting, e-mailing and text-messaging using hand-held wireless communication devices while driving. Research shows that a driver who uses a cellphone when behind the wheel is about four times more likely to be in a crash than someone who is focused actually on the task of driving.

Our proposed legislation, if passed, adds Ontario to the list of more than 50 countries and several US and Canadian jurisdictions that have taken similar action to curb driver distraction. Hands on the wheel, eyes on the road—it's one of the basic tenets of safe driving. It reminds me of a song from many years ago that only Frank and I would remember: "keep your eyes on the road and your hands upon the wheel"—and something about Fred in there somewhere.

Anyway, the fact that driving is a complex and challenging task is not lost on a first-time driver. There's

a lot to learn, rules to remember and skills to develop. This takes time, and there's growing evidence to suggest that more time is indeed needed.

Statistics tell us that teen drivers are, on average, much more likely to be in a fatal collision than more experienced drivers. In fact, collisions are the leading cause of death among young people under the age of 33. Extending the time it takes to get a full licence from 24 to 36 months will give novice drivers more time to develop good driving skills and knowledge, making them better prepared for a lifetime of safe driving.

For the novice drivers who choose to ignore the rules of the road, we have introduced escalating sanctions for repeat violations of any graduated licensing restrictions and for convictions of Highway Traffic Act offences that result in four or more demerit points. This means these novice drivers would face sanctions that get tougher with each serious violation of our province's traffic laws.

Drinking and driving is another behaviour that continues to be a major problem on our roads. Research shows that the peak ages for drinking-and-driving collisions are from 19 to 21. That is why we're proposing that all drivers aged 21 and under have a zero blood-alcohol concentration when they're behind the wheel of a car. If passed, Ontario would join several countries with similar restrictions, places such as Australia and Switzerland. In fact, the United States is instructive: It has been cited as the one, single most important reason for a drop in driver collisions. These are young drivers that we're talking about, in this case.

1410

Of course, with more than a quarter of all collisions involving alcohol, we know that this is a much bigger challenge. We need to give police new tools to effectively deal with drunk drivers and get them off our roads once and for all. Anyone caught drunk-driving, or driving without an ignition interlock when one is required, would face the immediate impoundment of their vehicle for seven days. The same will apply to anyone who continues to drive while their licence is suspended.

Innovation in safety and public security is one of the defining characteristics of this government, and new approaches are needed to overcome long-standing challenges. As with all of the reforms we propose, our purpose is clear: to further improve Ontario's outstanding road safety record by saving more lives.

All of Ontario's drivers, regardless of years of experience, need to get the message: Safer roads are a shared responsibility. We cannot do this alone. We have received some very thoughtful input over the past three meetings of this committee. All contributions are greatly appreciated.

On a more personal note, I would like to thank the students from Robert Bateman High School in Burlington who made presentations nearly two weeks ago while I happened to be in the audience. Many of the measures proposed in these two bills directly concern youth, so to have them come forward and share their thoughts at these hearings is of tremendous value. So, many thanks to Dylan Gibson, James Gike and Chelsey Meehan.

Finally, I would like to thank members of this committee for their work on these two pieces of legislation. I certainly look forward to reviewing your final report.

One of the things I have noted—and you've noticed in the House that I've said this—is that this is one issue where I haven't seen partisan lines drawn. Each government that has been in power, regardless of political affiliation, has made a sincere effort to improve road safety in Ontario. So I certainly have appreciated the input from all members of the Legislature, not just the government side, where one would anticipate that a minister would, but from the members of the opposition. We are the ones who meet with people on an ongoing basis, who are aware of the issues that arise through our constituency offices, in conversations, and, for members of this committee, through the direct input of those who have presented, either in written form or in oral form, so we're in a position to be able to evaluate what some of these proposals happen to be.

There was wide consultation that took place before the development of this bill, with a variety of groups and organizations and individuals. Not everything contained in the bill is reflected in those particular pieces of input. Even though some of the provisions may not be found in the bill or subsequent regulations, I still appreciate very much the fact that people have brought forward these issues for consideration, and it may well be that in a future iteration of legislation of this kind, that will continue to be the case.

We've tried not to be punitive for the sake of being punitive. We have tried to provide legislation which makes common sense and will genuinely improve road safety in the province of Ontario.

I'm not sure how much time I have left from the Chair.

The Chair (Mr. David Oraziotti): About 30 seconds.

Hon. James J. Bradley: Let me wind up by saying that I know, particularly when I was in opposition, that one says, "Why doesn't the government always accept amendments?" As a minister, I always have an open mind, but of course I have to deal with a number of different individuals who provide information on why some of these amendments may not be able to be implemented. Nevertheless, I encourage all members of the committee to relinquish the fear of putting forward amendments that you believe would genuinely improve this legislation.

Thank you very much to members of the committee.

The Chair (Mr. David Oraziotti): Thank you very much, Minister, for your presentation. We'll start with the opposition. Mr. Klees. We have about six to seven minutes per caucus for questions.

Mr. Frank Klees: Minister, thank you for your presentation. I think you anticipated my question about amendments. My best advice to you is that when those people tell you why amendments aren't possible, instead of just simply accepting their response, tell them that that's what you, as the minister, believe is the right thing, and find a way to get it done. I think that that is your responsibility as minister.

Knowing you as I do, I know that you've got the courage to deal with your civil service that way. But that's just my advice for you.

Hon. James J. Bradley: I appreciate that advice, and I think it's sage advice. The department of the Attorney General often has comments to make on pieces of legislation because they are the people who look at things from a legal point of view, so that always has to be taken into consideration, and there are some peripheral issues that are impacted by changes.

But I want to assure members of the committee that I will give full and frank and serious consideration to any and all amendments that are proposed.

Mr. Frank Klees: Thank you.

Minister, one of the issues that has been brought to my attention—and I know that you've expressed concern about this—there was a lot of debate in the Legislature about one aspect of this bill that has fallen off the table. We're going to have a presentation later from Jan Perry, and I know what her concern is going to be. She worked with your ministry over a period of months, I believe, in anticipation of this legislation coming forward. When you announced this bill, you specifically made reference to the issue of restricting teenage G2 drivers from carrying more than one young passenger, aged 19 and under; in fact, I'll just quote what you said at the time:

"We will ... work to keep children and youth safe by extending the existing nighttime teen G2 passenger restriction to an all-day passenger restriction. Teenage G2 drivers have a high rate of collisions when carrying other teenagers." Then you said, "We will restrict teenage G2 drivers from carrying more than one young passenger aged 19 and under at any time during the first year of G2."

You repeated again today that inexperienced drivers have a higher collision rate. If we take all of that into consideration, I'm just interested to know what it was that caused the government to climb down from this requirement that I assumed was going to be implemented by regulation. Could you just enlighten us on that?

Hon. James J. Bradley: Well, as you will recall, you, perhaps, and many of your colleagues in the Progressive Conservative caucus, on an ongoing basis, launched a verbal assault, I'll call it, in the House on this particular provision and reflected what I believe—and there were members from other political parties as well—all members of the House indicated: what an imposition this would be; particularly for those residing in the north and in rural areas, the impact that it would have.

In addition to that, there were individuals who made known their representations, particularly younger people, to say that this would have a very adverse impact on such things as school sports, school extracurricular activities, students who had to go to work to make a little extra money, perhaps for their education, and so on. As a result of that input, which was pretty continuous and a pretty good cross-section of the Legislature, the government said that at this time it would not proceed with that section.

However, there are many other provisions in the bill which are very restrictive and which will have the effect of reducing the risk of that happening under those circumstances. There are also existing restrictions on the number of young people in a vehicle at certain times, for instance, from 12 midnight to 5 in the morning.

So there was clearly a large avalanche of opposition to that, and many pointed out that with the other provisions in here relating to alcohol, relating to suspensions upon conviction of various violations of the Highway Traffic Act and the graduated licensing system, that that would militate in favour of much more careful driving on the part of young people and that the necessity of that provision that was mentioned would not be there as a result. But I clearly heard it from members of the Legislature, time and again.

Mr. Frank Klees: Minister, I hear your explanation, and thank you for it. You said "at this time." Does that leave the door open for future consideration of a provision like this, depending on experience?

1420

Hon. James J. Bradley: It would certainly leave that open. I think the door may be open to any future changes when we look at further experience. Clearly, I had an opportunity to meet with Mr. and Mrs. Perry, who made a very compelling case to me, and I think to all who would listen. It was a very, very difficult decision to indicate that we would not proceed with that regulatory framework but that we would work within the changes that are already being made. There are many in the House who even think that some of the changes we have here are extremely onerous on young and new drivers.

Mr. Frank Klees: Chair, how much time do I have left?

The Chair (Mr. David Oraziatti): You have about 30 seconds.

Mr. Frank Klees: Just one quick question, Minister, with regard to the consequences for a conviction under the cellphone bill. There are no demerit points assessed under this legislation. Could you just give us an explanation as to why there are really no consequences for conviction under this legislation?

Hon. James J. Bradley: The consequences are there in terms of the penalties that are provided. We are open to consideration of further consequences. I was listening to your colleague Mr. O'Toole, one of the members who is very vociferous in wanting legislation of this kind brought forward. His recommendation, I recall, on a radio interview was that it not be in place. Your recommendation was that we do have demerit points in place. We're prepared to entertain any thoughts you may have in that particular direction. One of the consequences that police and the Attorney General will tell you about is the number of cases that will then go to court, further clog the courts and tie up police time. Whether that's a compelling enough reason, we shall see as the debate unfolds.

The Chair (Mr. David Oraziatti): Thank you, Minister. That's all the time for questions. Mr. Bisson?

Mr. Gilles Bisson: I don't have any questions. I heard what you had to say, and let's move on.

The Chair (Mr. David Orazietti): Government side. Questions?

Mrs. Linda Jeffrey: No questions, thank you.

The Chair (Mr. David Orazietti): Thank you very much, Minister, for your presentation. There are no further questions.

Hon. James J. Bradley: Thank you very much.

Mr. Frank Klees: Could I take the rest of the time, because I've got lots more questions?

The Chair (Mr. David Orazietti): I don't think we have consensus for that, Mr. Klees..

Hon. James J. Bradley: I always enjoy a dialogue with my friend Mr. Klees, who had the opportunity and privilege of being a Minister of Transportation in years gone by. I don't want to say too many complimentary things, lest they appear in a leadership pamphlet or something like that. Thank you very much.

VINCE D'EON

The Chair (Mr. David Orazietti): Our next presenter is Vince d'Eon, a licensed radio amateur. Good afternoon, Mr. d'Eon. You have 10 minutes for your presentation and five minutes for questions, should there be questions. Please just state your name when you begin your presentation for our recording Hansard. You can begin as soon as you're ready.

Mr. Vince d'Eon: My name is Vince d'Eon. I'm a licensed radio amateur. I'd like to thank you for your time today. I've recently moved back to my birthplace of Hamilton, Ontario, having been in Alberta for 11 years. I've been a licensed radio amateur for seven years. It's a hobby that's more often called ham radio. I am here to introduce you to that today.

There are more than 20,000 of us in Ontario and over 50,000 of us in Canada. I am a member of the Amateur Radio Emergency Service—ARES, for short—and I provide emergency communications services upon request in the absence of, or in supplement to, conventional emergency response services.

My presentation will demonstrate support for the essence of Bill 118. However, it requests that the ambiguous wording in Bill 118 with respect to hand-held electronic devices be clarified, and it seeks exemption for ham radio operators. This presentation will also explain what a ham is, what a ham does, and justify the request.

What's a ham? We come from all walks of life. We're lawyers, truck drivers, sign makers, computer programmers, doctors and mechanics. We are of either gender. We range in age from our young teens to our sunset years. We're communications enthusiasts and we're driven by as many different facets of our hobby as there is diversity amongst our ranks. We are the volunteers and sometimes the "volun-told."

A ham is somebody who knows how to get a message from point A to point B under the most challenging of conditions. When solar flares disrupt our cellphones and power grids, we have a solution. When ice storms bring down our telephone lines, we can get a message through.

When a tornado passes through, five or 5,000 kilometres away, and causes a swath of destruction, we help out.

Since the inception of Canadian licensing for hams in the early part of the 20th century, we've been granted the right to operate mobile radios under the federal Radio-communication Act and associated regulations. In 1976, the Right Honourable James Snow, the then Minister of Transportation, issued the first radio amateur licence plate in recognition of the contribution that radio amateurs make to mobile-based emergency communications for the province. These special call-sign licence plates are issued so that the OPP, the RCMP etc. can recognize us and use us as needed.

I have earned my privileges of ham radio as granted to me by our federal government by proving my competency in a variety of areas via standardized exams. As part of that, I'm responsible for ensuring that my equipment is installed and operated with safety in mind, wherever that shall be.

As I see it, the problem with Bill 118 today with respect to ham radio is that the wording is ambiguous in our area of interest. Please refer to exhibit 1 on the cover of the handout. It reads: "No person shall drive a motor vehicle on a highway while holding or using a hand-held wireless communication device or other prescribed device that is capable of receiving or transmitting telephone communications, electronic data, mail or text messages."

The first radio is a conventional mobile or base radio. If I want to use it, I push the button to talk, I say my message, and I release the button. Only one person can talk at a time in this fashion. If two people should happen to press the button and talk at the same time—hams are polite; we apologize. If we don't do that, when we send communications messages in times of duress, everything's going to become all gobbledygook; the message won't get through. So we practise this every day.

Exhibit 3 is a hand-held radio. Its function is similar but arguably much more agile; I can put it in my shirt pocket and move to the next vehicle when I need to, to provide these services.

Arguably, I'm holding a hand-held device, for exhibit 3, but for exhibit 2, most of it is over there. What part of it is hand-held? There's some ambiguity in the wording that we feel needs to be cleaned up.

There's a large difference between the technology used in cellphones and that used in two-way radios. Cellphones use what is called a full duplex technology; both people can be talking at the same time. This also means that the conversation can escalate very rapidly.

As I mentioned earlier, the operator of a two-way radio has to push the button to talk and release to listen. It's much more difficult to have a very fast-paced conversation in this sort of environment.

Why hands-free won't work for us: While widely used in cellphones, Bluetooth technology is not widely used at all in ham radio equipment. I can count on the fingers of one hand the number of ham radios that offer Bluetooth today, out of the hundreds of models that are available.

Trying to retrofit a true hands-free set-up to ham radio equipment is impractical from many technological

standpoints. Although a combination single earpiece and boom microphone is available at a relatively moderate cost, the application of even this limited, pseudo-hands-free capability to a variety of brands of radios is not always simple nor practical.

How we help out: Through the Radio Amateurs of Canada and affiliated clubs, hams who are members of ARES are spread throughout the country. We obtain standardized identification and insignia at our own expense. These help to identify us to authorities at checkpoints so that we can be allowed into the restricted zone to set up a radio station in order to send and receive messages. Frequently, other hams, while not members of ARES, will also help out in times of need.

We are recognized by EMO—Emergency Measures Ontario—and the Ontario Provincial Police, just to name a couple of agencies. We are integrated into their response plans. We follow the same communications protocol—incident command system, or ICS—so that we fit into their overall structure.

How I've helped out: In May 2002, at 1 a.m., my phone rang. The water was rising fast in High River, Alberta, an hour south of where I lived; I was needed. My job was to handle communications from the field and relay them back through the communications centre. I was on duty for a 24-hour period during that particular call-out: 16 hours, first, at that EMC, and then off to another, nearby town that didn't have protocols established for such emergency communications, and I established the EMC for them and got it off.

A month later I worked with the Salvation Army in downtown Calgary. I was providing food to the emergency responders and handling radio messages as required.

I've performed these duties for a variety of agencies: Red Cross, Salvation Army, provincial emergency operations teams, and local police and fire departments, and I perform these duties with or without the presence of the commercial power grid.

1430

While I can't quote first-person examples to you, I know that Ontario hams were active during the 1998 ice storms, 9/11 and Hurricane Katrina.

I also help out on a non-emergency basis, providing safety communications to a variety of events such as marathons, cycle tours, car rallies, Halloween evening patrols and parades. Rather than renting radios and issuing them to event staff who may or may not know how to use one, or, more importantly, don't have the training to pass emergency messages while under duress, they rely on hams to pass along their messages. Many of these events have thousands of participants, and we handle messages that vary from lost children to event logistics to paramedics required.

Earlier this month I was in Burlington for the Chilly Half Marathon—at minus 15 degrees, I might add—where I was one of 25 hams helping to effectively communicate. Three Aprils ago I was outside of Calgary with a car rally, where drivers were injured severely enough

that we needed radio to contact an air ambulance for a fly-in, as we were outside of the cellular coverage area. Each autumn I participate in a multi-day cycle tour for the MS Society. I'd work at more than a dozen events per year if I could fit them all in.

I give this work of my own free will. I am not compensated. I will do it again, and I was honoured to have been asked to help out. I'm only one of thousands across this province who do this kind of work, and Bill 118, as it's currently written, has the ability to impair it.

In conclusion, in order for amateur radio operators to assist the authorities to meet the needs of a community during times of emergency, we need to access our hand-held devices while in motion. Limiting the use of amateur radios to passenger use or to driver operation only when parked severely restricts the ability of the amateur radio operator to be of service to the community when the need is greatest.

Provinces such as Newfoundland and Labrador, Nova Scotia and Quebec have already enacted similar legislation to Bill 118 and have granted exemption for ham radio operators. Clearly, they've seen the benefits of this continued relationship between hams and emergency responders, and I trust you will as well.

The overwhelming majority of Ontario's 20,000 federally licensed radio amateurs are responsible people. It is that sense of responsibility that moves so many of us to volunteer our equipment and time in support of our communities and relief agencies.

When the safety-inspired improvements to our equipment are practical, we can be counted upon to make the changes, and entirely at our own expense. However, if Ontario's police forces start ticketing equipment operation that is similar to their own use of mobile and portable radios, many of the radio amateurs will be unable to comply with those regulations and would be forced to withdraw their voluntary services. The result is that the citizens of Ontario will be the net losers. I therefore respectfully request that Bill 118 have such wording as to allow for the continued operation of federally licensed radio amateur equipment within our vehicles, and without restriction.

I thank you for your time and the opportunity to present and I'll take your questions now.

The Chair (Mr. David Orazietti): Thank you very much, Mr. d'Eon, for your presentation. We have about two minutes for each caucus. Mr. Bisson.

Mr. Gilles Bisson: Do you have any particular suggestions, as far as language, that you would propose on an amendment?

Mr. Vince d'Eon: Sir, I'm not a lawmaker.

Mr. Gilles Bisson: Okay. I'm just wondering if your association had looked at it.

Mr. Vince d'Eon: No, sir.

Mr. Gilles Bisson: Have you been told, in discussions with the Ministry of Transportation, that your interpretation of how that section would prohibit the use of ham radios is correct?

Mr. Vince d'Eon: Sir, I have not. I'm acting on my own as a licensed radio amateur. I talk to many people on the air every day, and many of us are very concerned about the wording of this bill.

Mr. Gilles Bisson: So it's your sense that just the way the language is worded, it could encompass ham radios?

Mr. Vince d'Eon: Yes, sir.

Mr. Gilles Bisson: I guess I'll be looking, when the parliamentary assistant has a chance to give us a bit of an update, at the ministry's view of that.

The Chair (Mr. David Oraziotti): No further questions? Government side.

Mrs. Linda Jeffrey: Thank you, Mr. d'Eon, for coming today. I appreciate what you do. I have many ham radio operators in my riding and they have been very helpful in emergency preparedness, so I know what you're able to do and how your services are truly valued. I think most people have no idea of how useful the amateur radio community is during a crisis, so thank you for all you do around Ontario, obviously, based on what you've told us.

I guess I'm trying to do some clarification from my own knowledge. When I talk to some of my amateur radio operators, I don't have the sense that they're in motion when they're using the radio to provide information about a crisis or what they're doing. I have the sense that they stick in one location and they provide communication to other health service providers or emergency service responders. Can you explain to me why you need that mobility piece of it?

Mr. Vince d'Eon: Certainly. Much like a police or an EMS responder is dealing with getting the first-hand knowledge of what's happening while in motion; by and large, 80% of what's done is while we are stationary, much like they are. We still need to receive that information while we're in motion so that we can respond.

Mrs. Linda Jeffrey: So would using a mobile or a stationary amateur radio, which is the exhibit that you brought here today, impede your ability to respond in case of an emergency?

Mr. Vince d'Eon: I wouldn't be able to respond if I couldn't talk while I was driving, if that's what you're asking.

Mrs. Linda Jeffrey: Right now, for example, on a CB radio, if it's connected and there's a wire that connects to the radio receiver in the vehicle, that's not what this legislation is speaking to, so that wouldn't be something that would be a problem. It's the hand-held, not connected to a wire, that we're talking about as a distraction.

Mr. Vince d'Eon: Fair enough. What I'm concerned about is that from an enforcement standpoint, somebody will see this as an electronic device and choose to enforce it. I'm asking that that be clarified. Certainly this is a hand-held electronic device. I'm asking that this be exempted.

Mrs. Linda Jeffrey: I guess I'm trying to understand the difference. If you're in an emergency situation, you don't want to be part of the emergency, so you need to be

pulled to the side to be able to make those emergency calls.

Mr. Vince d'Eon: Certainly.

Mrs. Linda Jeffrey: That's what we're hoping people will do, and this legislation would not be trying to prevent people from making those emergency calls and getting services, whether it's fire, ambulance or paramedic. Why does the amateur radio community need anything beyond that? If they have a fixed machine in their dash that allows them to call for an emergency and/or pull to the side and make that emergency call, how will that hamper their ability to be effective?

Mr. Vince d'Eon: Frequently, when I go out and do my volunteer work, I cover off many roles. I'm a communicator. I'm a first-aid provider. With cycle tours, there have been a number of times where I've been closest to respond to begin providing first aid. If I have to pull to the side of the road to get information on why somebody has injured themselves, I lose time responding to them. It could be a much more serious type of response than a skinned elbow, if you will.

The Chair (Mr. David Oraziotti): Thank you, Mr. d'Eon. That's all the time we have for questions.

Mr. Vince d'Eon: Thank you.

The Chair (Mr. David Oraziotti): Mr. Klees.

Mr. Frank Klees: Thank you again for the work that you and your colleagues across the province do for us. As you say, you're part of the emergency response system.

Let me ask you this: Of the 20,000 members that you have in Ontario who are ham operators, how many of them would have the licence plate identification?

Mr. Vince d'Eon: I don't know that. It's voluntary participation when we get our licence plates. Some people don't want to put one on their car for fear that it becomes a target, basically advertising electronics inside. I don't know what those numbers are, sir.

Mr. Frank Klees: I'm just thinking from the standpoint that if in fact there was to be an exception, as you say, how do you know whether it's legitimately being used or not? The licence plate could certainly very quickly announce—

Mr. Vince d'Eon: Part of our regulation requires us to carry our licence around with us at all times.

Mr. Frank Klees: While the minister is here—he's heard your presentation—I'd like to give the minister an opportunity to just respond as to how he feels about your request. That way we don't have to waste a lot of time around the committee. Minister?

Hon. James J. Bradley: Is that legal?

Mr. Frank Klees: It is, yes.

Hon. James J. Bradley: Is that what happens when you hang around?

The Chair (Mr. David Oraziotti): It's up to you, Minister, if you want to respond to that.

Hon. James J. Bradley: We will give all representations made to the committee full consideration before making any final decisions. We appreciate all the representations that are made, and this is one of many that will be made, and we'll give it full consideration. All

members of the committee will have heard what you have to say and will make their recommendations as well.

Sometimes I'm at odds with members of the committee and members of the Legislature, as I have been on a couple of issues related to legislation, and they do represent all the ridings in Ontario, so we will give it consideration.

Mr. Frank Klees: Thank you.

The Chair (Mr. David Orazietti): Thank you very much, Mr. d'Eon, for your presentation.

Mr. Vince d'Eon: Thank you for your time.

JAN PERRY

The Chair (Mr. David Orazietti): Our next presentation, Jan Perry, please come forward. You'll have 10 minutes for your presentation and five minutes for questions, should there be questions from members. Just please state your name for our recording Hansard, and you can begin when you'd like.

Ms. Jan Perry: Thank you. My name is Jan Perry, and I'm here on behalf of my family, but I'm also here on behalf of teenagers who have lost their lives and the parents who have suffered through this loss. But mostly, I am here on behalf of our 16-year-old son, Drew. Thank you for the opportunity to speak to you today.

1440

As is often the case, and as you can imagine, I truly would rather not be here, but because of the circumstances, they've brought me here today.

On January 19, 2007, our 16-year-old son was killed as a passenger in a car coming home from school at lunch hour. He had called for a ride home, and we were unfortunately not there, so he just grabbed a ride home. A total of five teenagers were killed due to speed, inexperience and bravado. The driver of the car had his licence for four months.

While we supported and commended the Ontario government for making Ontario roads safer, with the proposed changes for Bill 126, with the omission of passenger restrictions as one of the changes, our son's tragedy would not have been prevented. So I am here to ask you again to reconsider this omission.

Following Drew's crash, we spent months gathering statistics on teenage crashes after this senseless and preventable tragedy happened, and we realized that what happened to our son occurs much more frequently than we were aware. In November 2007, we began an e-mail campaign telling people our story and asking them to send a letter to the Minister of Transportation requesting passenger restrictions for novice G2 drivers 24 hours a day for the duration of their G2 licence. In this letter were clearly stated statistics outlining the risks of teenage drivers carrying teenage passengers at all times during the day. We contacted safety organizations such as the Insurance Bureau of Canada, the Ontario Safety League, MADD, hospitals, public health services, insurance companies, municipalities, school boards, and they also

sent letters of support for passenger restrictions. To this end, we were granted an appointment with the Minister of Transportation in May 2008, and at the meeting, Mr. Bradley indicated that the graduated licensing system was under review and they were considering passenger restrictions. Needless to say, we were thrilled.

We continued to solicit support letters, and on November 18, we were invited by the Minister of Transportation's office to attend the media event held at the Toronto Police headquarters. This was followed by a meeting with the minister and his staff to view a PowerPoint presentation of the proposed changes, and in our conversation, Minister Bradley fully supported passenger restrictions. We also attended the first reading, at their request, at the Legislative Building. Our understanding was that the government expected some backlash to the proposal, but they supported it totally.

After Mr. Bradley's presentation, it was apparent that the proposal was not clearly understood by the media, the general public and even government representatives, and especially, Facebook opposition was huge. But when speaking to many teenagers myself, it was clear that they did not fully understand the proposed changes. There was a lot of confusion with the zero tolerance and age of 21. It was also demonstrated by conversations with other parents, who told me that many teens were joining the Facebook protest unaware of the facts—it was just the thing to do.

I would like to take this opportunity to address a few of the issues that were raised by those opposing passenger restrictions. Some suggested that passenger restrictions would prevent teens from being or having a designated driver, thereby increasing the risks of teens drinking and driving. However, under the current restrictions, a teen G2 driver cannot carry more than one passenger under the age of 19 between midnight and 5 a.m., the time period most likely to require a designated driver. So, in essence, there already exists a restriction on their ability to be designated drivers.

Another concern was that passenger restrictions discriminate against rural teens who have no other options or modes of transportation, i.e., public transit. They wouldn't be able to hold down a job, participate in sports, get together with friends etc. I am a rural parent. Rural area or not, it is only one more year for parents to drive their teens and friends around while they acquire the needed driving experience. Most parents cite convenience as the best thing about their teen getting their licence. Teen crashes in rural areas can be more deadly than those in urban areas. In Grey-Bruce, where Drew's crash occurred, 79% of the deaths among youth were caused by motor vehicle crashes. This is higher than the Ontario average of 31% and the national average of 35%. Under the current and proposed changes, a teen G2 driver can still take a friend to work, to a movie or on a date, but, yes, parents in rural areas would need to be the taxis for larger parties for at least one more year, but at least their sons and daughters would be alive to have those parties.

A third concern was that passenger restrictions will prevent teens from getting to Scouts, church groups, sports activities and extra-curricular activities. Again, this is a question of convenience versus safety. There are responsible teenaged drivers, but statistics tell us that the greater the number of teen passengers in a vehicle, the greater the chance of fatalities. I know that both parents and teens believe they are responsible drivers and this won't happen to them. To a large extent, this was me two years ago. But what I knew two years ago is still true today: Parents don't always know whose car their children are getting into and whether those teens are responsible. Truly, teens don't actually know if the car they are choosing to get into is being driven by a responsible driver. Passenger restrictions would help to lessen the burden of having to make those evaluations and also lower the risk of passengers piling into cars at high schools.

This new proposal would be 24 hours a day for the first year of a G2 licence. Basically, so that we can all understand this, you will get your G1 at 16, your G2 at 17, and by the time you are 18, you could carry more than one passenger. A new driver can still drive a friend to work or go on a date, but they cannot and should not be learning to drive with a car full of friends.

On December 8, we were called by the officer of the Minister of Transportation and told that the proposed amendment to the legislation for passengers would not be going to second reading and had been removed. Many MPPs were swayed by the quantity of opposing responses, not the quality of their arguments. Given my conversations with parents and teens alike, the proposed amendment to the current regulations was poorly presented and misunderstood by many. We had provided the Minister of Transportation with quality and educated support letters and statistics. Brian Patterson, of the Ontario Safety League, said it best: "At the consultation with safety experts, it was in. After a bunch of aggravation on Facebook, it's out." Young people who are not clearly aware of the facts should not be the determining factor on this issue; adults should, as it is our job to protect them. And we should certainly rise to the occasion when the evidence and supporting statistics are so abundantly clear.

Teenagers are often full of bravado, even without being behind the wheel of a car. When they pass their G2 test, they have had little experience driving without their parents or a mature driver. Why do we then give them a vehicle, which becomes a weapon if used improperly, and allow them to fill it with their friends and drive down the highway? I maintain we shouldn't. We should allow them, legislate them, to gradually earn the privilege and responsibility to have passengers in their car, for their own safety as much as the safety of their friends.

On January 18, 2007, Drew had to write down his goals for one of his classes. One of them was to go to complete a post-secondary education at the highest possible level. On January 19, he was killed just trying to get a ride home. Before this tragedy, Drew might also

have disagreed with passenger restrictions, as many teenagers and parents would without the facts. They think crashes like this are rare and unpredictable and, besides, driving around with your friends is fun. Now that Drew has lost his life to an inexperienced driver, I think he would agree with me about passenger restrictions, especially if he had all the facts that you and I do now.

If I could draw your attention to a handout—it's a three-page handout—there's a large title that says "Passenger Restrictions for Teen G2 Drivers." I'll just briefly cover this. The first page has statistics, and though nighttime driving restrictions are important and valuable, these statistics would indicate that over half of teenage fatalities happen during daytime hours. On page 2 is the letter "N". In British Columbia they call them novice drivers; we call them G2 drivers. They have them display this in the back window of their car. For one year in Ontario, this would help police and other motorists identify them as inexperienced or new G2 drivers. Most important are education for parents and teens to the rules a G2 driver must follow, and that your insurance could be void or minimized if a crash occurs. I would suggest that insurance companies perhaps work with parents and have them sign a form with the rules listed and the consequences of breaking the law, so both parents and teen G2 drivers are aware.

The final page—I took it from the Internet—is a page from the Ministry of Transportation on class G2 drivers. And I just indicated the proposed amendment to be made which could save many young lives: one year to gain experience and focus on driving skills before they fill their car with friends and drive down the highway.

1450

The Chair (Mr. David Oraziotti): Thank you very much for your presentation, Ms. Perry. Questions? We have about two minutes for each caucus. Government caucus, Mrs. Jeffrey.

Mrs. Linda Jeffrey: I'm sure this was a very difficult thing for you to do, and I just want to say thank you very much. You made a very compelling argument, and I thank you for doing that. You've certainly honoured your son and you've certainly done a lot of homework to help us get up to speed. You've learned the hard way on this lesson.

I'm really interested in this "N" sign that you've talked about in British Columbia. I'm actually a bit surprised that we've never done it, because in England they have the "learner" in the back of the windows sometimes. How long has this been around? Can you just go through that suggestion you made again?

Ms. Jan Perry: Unfortunately, I don't know exactly how long it has been around, but in BC they actually have them put an "L" in for a learner or a G1 and then they have them put the "N" in when they become a G2. I did notice that in British Columbia they've made several changes. It was last modified March 31, 2007, but I'm not exactly sure when they started putting the "N" in the window.

Mrs. Linda Jeffrey: Thank you. No questions.

The Chair (Mr. David Orazietti): Mr. Klees?

Mr. Frank Klees: Thank you, Ms. Perry, for your presentation. I'm sure all of us on this committee are giving careful consideration to what you've told us. I admit I was one of those MPPs who put pressure on the minister on this issue because of the perception that was there. I thank you for giving us some insight. I think you're right that there was a great deal of misinformation—not intentionally, but I think, with the fact that the same bill is dealing with zero tolerance to 21, there was perhaps a lot of misunderstanding that this, as well, would restrict young people up to the age of 21 from carrying additional passengers. Sometimes the issues of what teenagers want and what is good for them don't always mesh.

Ms. Jan Perry: That's right.

Mr. Frank Klees: Sometimes what adults want and what's good for them doesn't always mesh either. But I want to thank you for being here, and I'm sure that all of us are taking what you presented to us very seriously.

The Chair (Mr. David Orazietti): Mr. Bisson?

Mr. Gilles Bisson: I can't pretend to understand how you feel. As a parent, God, I don't ever want to be there, so I say that it takes a lot of courage for you to come here and do what you're doing, and what you've been doing on behalf of your son and other kids out there.

A question: One of the criticisms that I've had in regard to our whole approach when it comes to licensing is that, number one, a lot of people see driving as a right and not a responsibility. Number two is that I've always felt we're not doing as much as we need to do in order to, in the front end, do the type of training and the awareness that needs to be done with young drivers and new drivers—sometimes they can be 30 years old the first time they go get their driver's licence—to prepare them to be on the road. Do you have any particular recommendations in regard to what could be done in order to strengthen our driver training system, other than what you've proposed?

Ms. Jan Perry: Actually, our middle son currently is going through driver training, and it has been interesting to see it. I think it's an excellent program. I personally think that we need more education out there for new drivers, whether they're a new driver at 30 or a new driver at 16, to follow the rules and understand what the laws and implications are. I think we need to stress, as a society, that driving truly is a huge responsibility and when you turn on that ignition you are responsible for every single person in that car and everyone on the road. So I think it's just a societal effect that we have to stress, that these are big cars and they can cause a lot of damage and we need to all be more responsible.

Mr. Gilles Bisson: It was interesting—during that whole time the debate was going on I went into one of the high schools. There was an auditorium packed with young teenagers 15 to 17 or 18 years old, so you could imagine which way the debate was going. But the interesting point was, there was a young Austrian woman who was 17 years old who was an exchange student, and she

couldn't understand the debate. She was saying that where she came from, when it comes to getting your driver's licence, you can't get it until 18. Her argument was that you are legally able to drink wine and alcohol at 16, but you can't get your driver's licence until 18. Her logic behind that was—and I'm not advocating, but this was her argument—to get it out of your system before you get your licence, number one. But the second thing is, once you'd go to get your licence at 18, it was a much more rigorous system than what we had here in Ontario and in Canada generally. It cost the average person trying to get a licence about \$1,500 to \$2,000 in our money just to get the licence, when it came to the amount of training that needed to be done to prepare them for their driver's licence, plus they had a graduated system at 18.

Your thoughts? Not that I'm advocating this, because I'm sure—but it was an interesting comment, I thought.

Ms. Jan Perry: I have lost a 16-year-old, and I currently have a 16-year-old and a 12-year-old. I don't have a problem with these young people learning to drive. As a parent, we give them wings and teach them to fly, but we teach them to do it responsibly.

The graduated licensing system is an excellent system, but when they get their licence—I can still recall sitting in my car that first day without my parent beside me and that sense of freedom—I think that they should be allowed to drive to work or take a friend to a movie and go on a date or whatever for one year, but they shouldn't be filling their cars with friends who are the same age and driving down the highway. So I don't have a problem at all with young people learning to drive; I just think they need to learn to drive responsibly.

The Chair (Mr. David Orazietti): Thank you, Ms. Perry, for your presentation. That's all the time we have.

TRENTWAY-WAGAR INC.

The Chair (Mr. David Orazietti): Our next presenter is Trentway-Wagar Inc., James Devlin.

Mr. Devlin, welcome. Please state your name for the purposes of our recording Hansard. You have 10 minutes for your presentation. There will be five minutes for questions by the members, should they be interested in asking questions.

Mr. Jim Devlin: My name is Jim Devlin, and I would like to thank you for the opportunity to come here today to share with you the concerns I have with Bill 118. During my presentation, each time that I make reference to Bill 118, I want to make it clear that the reference is only to that portion of the bill that deals with the carpool vehicles. The rest of the bill—okay; just carpool vehicles.

I've been the president of Trentway-Wagar since 1976, and have been with the company, both as an owner and an employee, since 1959. The company was established in Peterborough in 1956 and still maintains its head office there. We promote our services using the brand name Coach Canada.

Our company generates its revenue from three sources: 30% from scheduled intercity bus services, 46%

from charter trips throughout Canada and the United States, and 24% from contract services. We employ 275 people in Peterborough and another 645 at our facilities in Kingston, Port Hope, Whitby, Toronto and Niagara Falls.

Our intercity services cover three main routes: Toronto-Kingston-Montreal, Toronto-St. Catharines-Niagara Falls-Welland-Fort Erie, and Waterloo-Kitchener-Hamilton-St. Catharines-Niagara Falls. We have 65 coaches dedicated to providing those services, representing a capital cost of \$29 million. In 2008, we operated slightly less than 49,000 scheduled service trips, travelled more than 10.5 million kilometres in scheduled service and carried more than 1.44 million passengers.

We continue to invest in new buses each year, and this year we'll be taking delivery of 15 new double-deck buses, capable of carrying 81 passengers each, that will be dedicated to the Toronto-Kingston-Montreal route. It is the scheduled intercity line run services that are relevant to my submissions today.

I appear here today to tell you that the Public Vehicles Act and its regulatory system is seriously flawed. Going forward with the amendments to the act as proposed in Bill 118 will only satisfy the interests of a single commercial interest. The proposed amendments will only cause further damage to an already messed-up public vehicles regulatory system. There has been no comprehensive review of the act, and of the regulatory system it creates, essentially since the act was introduced more than 80 years ago. Along the way, there have been some amendments to the system that I will address.

Turning to Bill 118, my objections can be summarized as follows: There is no factual basis to support the proposed change in the definition of "public vehicle." In particular, the change in the definition is not required to facilitate carpool operations or to promote green transportation. The broadening of the definition of "public vehicle" would almost certainly result in an increase in unlicensed commercial transportation services. Using the broadened definition as a cover to provide commercial services will endanger the public and will erode the services now available to the public from public vehicle operators.

More broadly, amending only one section of the act underscores the deficiencies in the act as a whole and in the regulatory system it creates. It underscores the need for a comprehensive review of the act and of that regulatory system.

1500

Today, the Public Vehicles Act requires anyone proposing to provide a schedule in any city service to obtain a licence. The licence grants the operator a measure of exclusivity on a route. In return, an operator is expected to provide frequent service, a terminal that's accessible to the public in central parts of the community served, and to meet strict safety requirements imposed by the Highway Traffic Act. An operator is also required to provide wheelchair-accessible equipment when requested by a member of the public.

The services are particularly important to those with lower fixed incomes, including seniors and students. For example, between St. Catharines and Toronto, public vehicles provide essential commuter services. In that respect, they are an alternative to GO Transit, ensuring service to the public without the need for government-funded operating or capital subsidy.

The act appears, on the surface, to embody classic entry control economic regulation. However, there are material gaps in the act and therefore in the regulatory system it creates. For example, there is no regulation of the rates charged by bus operators. This requirement was deleted from the act as part of the 1996 amendments. In the classic regulatory model, the regulator protects the public against monopoly pricing; the Public Vehicles Act does not do that.

For years, the Ministry of Transportation enforced the licensing requirements of the act. That no longer is the case, as the bus industry has the task of doing so. This, as well, was part of the 1996 amendments to the act. The Ministry of Transportation enforces the safety requirements imposed on public vehicle licensees under the Highway Traffic Act; however, the Ministry of Transportation has had only limited success in enforcing the safety requirements of the Highway Traffic Act against unlicensed van operators. The deficiencies of the act and in the regulatory system it creates are illustrated by the operations of those unlicensed van operators.

One of the unfortunate effects of Bill 118 is that the proposed amendments to the act would provide a cover for an increase in the operations of unlicensed van operators. The amendments to the act in 1996, which resulted in a withdrawal of the Ministry of Transportation from enforcing the licensing requirements in the act, gave rise to an increase in the number of unlicensed operators. Almost immediately, we encountered them on the Toronto-Montreal route. The services are provided mainly in van-type vehicles.

Over the course of the past decade, we have filed dozens of complaints with the Ontario Highway Transport Board. Due to the 1996 amendments, we had to bring those complaints to the board because the board, on its own initiative, cannot commence enforcement proceedings. While the board issued orders requiring the unlicensed operators to stop operations and awarded us costs, those orders have largely been ignored, and in almost all cases, the costs have never been paid.

At the hearings into those complaints, it became clear from the evidence that the safety of the public is at risk by using those van services. In its decisions dealing with unlicensed van operators, the board has repeatedly expressed its strong concern over the danger to the public safety from unlicensed van operations. You will find in my brief that was handed out, three different decisions from the board expressing that view.

What you will also find on those decisions are statements by the Ontario Highway Transport Board indicating that a threat to public safety, repeatedly identified by the government's own regulator, had been allowed to

continue essentially unchecked for over 12 years, that is, since the act was last amended in 1996.

I would also like to share with you a quote from the decision issued by the Ontario Highway Transport Board in June 2003. It was concerning expert evidence that was presented on our behalf at a hearing about the road-worthiness of a particular type of van in commercial operations: "Safety is outside the jurisdiction of the board...." A copy of that decision is also included in my brief.

This points to the danger created by the unforeseen consequences of poorly conceived legislative amendments. When you end up with a regulator—in this case, the Ontario Highway Transport Board—who can't initiate enforcement proceedings on their own and is not able to address issues of safety in their hearings, that tells me that there is something fundamentally wrong with the system.

The amendments to the Public Vehicles Act in 1996 were not meant to be in effect for a long period. They were only meant to be part of the system for a short period leading to what all interested parties at the time, including the Ministry of Transportation, had agreed to: the deregulation of the public vehicles industry. At the time, the amendments made sense for the purpose intended, which would be in place for a year or two at most. However, 13 years later, we have what can be best described as an expensive and ineffective mess.

My first observation of Bill 118 is that it proposes a solution to a problem which does not exist. As far as I am aware, Bill 118 arises entirely as a result of a publicity campaign by one entity, PickupPal. Public vehicle services are the most fuel-efficient means of transportation, as illustrated by data from Transport Canada included in my brief at tab C. The data shows that a car emits approximately 215 grams of greenhouse emissions per passenger kilometre for urban travel and 110 grams for highway travel, compared to an intercity bus at 20 grams. The services that PickupPal proposes actually provide an incentive for people to use cars rather than a more fuel-efficient public inner-city bus service.

Accordingly, the second observation that can be made about Bill 118 is that the solution it proposes helps no one. The absence of any factual basis to support the changes proposed by Bill 118 is a major defect in the legislation. More importantly, the 10-passenger exemption provides a cover for unlicensed van operators. The proposed restrictions in the operation of the exemption will have no effect, because they are neither enforced nor enforceable. Bill 118 is an invitation to continued unlicensed operations. It provides continuing cover for operations which are a threat to public safety.

Rather than responding to the publicity campaign in one entity, the government should delete from Bill 118 the proposed amendments to the Public Vehicles Act and undertake a comprehensive review of the regulation of public vehicles with a view to determine: What are the essential services that public vehicles provide to the public? Is the regulatory system necessary to ensure the

continued provision of those services? If so, what changes to the regulatory system are required to maximize the benefit of public vehicle services to the public and protect the public from unsafe operators? In particular, should one regulatory body control all aspects of the regulatory system, including both entry and safety?

Bill 118 does nothing to protect the interests of the public and in particular does nothing to protect public safety and reduce the adverse impact of cars on the environment.

The Chair (Mr. David Oraziotti): Mr. Devlin, your time is up. If you want to wrap up in the next 30 seconds—

Mr. Jim Devlin: I'm finished; that's it. I'm open to questions now.

The Chair (Mr. David Oraziotti): Okay. Thank you very much. Mr. Klees, questions? We have about two minutes for each caucus.

Mr. Frank Klees: Thank you very much for your presentation. As is often the case, there are unintended consequences, all well-intentioned, but you've pointed out some issues here that I'm sure the government will want to address.

I'd like you, if you could, to answer that last question that you put rhetorically, and that is, should one agency be responsible for both the entry and safety of the industry?

Mr. Jim Devlin: I think, Mr. Klees, it would probably provide some consistency in the application of the system, but the four questions that I posed before that need to be addressed before that issue is addressed. We need to know what services that are necessary to the public are being provided by the public vehicle industry and if it's necessary to have a regulatory system in place to make sure those services are going to be provided to the public. I think we need to go through that step first before we get to what the makeup of the system is to make it work.

Mr. Frank Klees: I think the objective of this particular aspect—and I'm sure my colleague Mr. Bisson will have something to say about it, because I think he's been a strong proponent of allowing individuals a legal framework within which carpooling could take place. We've raised the issue that, along with allowing for that, there are also some liability implications that an industry such as yours assumes when you take on a passenger. These are questions that the government is going to have to address, not only relating to people who are operating in that industry now, perhaps illegally. But by creating this new framework and drawing others into what is essentially a business, as you're positioning it, there are some implications here that have not been considered yet, and it will be our responsibility as a government to do so. I'd be interested in your comments on that.

1510

Mr. Jim Devlin: Certainly. First of all, I am not against real carpooling, and the current Public Vehicles Act provides for carpooling. It's been there for quite some time, and carpooling has been going on for some

time. In fact, there are government agencies that have arranged carpooling for employees to come to Toronto. It's something that has been in place for quite some time.

Unfortunately, with the actions of one organization—and I have to admire it. It was a great publicity campaign, a lot of media attention, but the issue is that what is now proposed creates an even more difficult way to deal with those commercial entities that should have some kind of control. How much insurance should they have? What are the qualifications of the drivers?

For instance, most of the safety components of the Highway Traffic Act that cover us deal with commercial vehicles. Well, the way it's proposed in there, those vehicles will not be commercial vehicles, yet 10 passengers—my entire Peterborough-to-Toronto airport service is nine passengers plus a driver. If I have a driver make one trip a day, and they're all going to the airport, I guess that's exempt from the commercial requirements. There certainly is a legal argument there.

There are a number of issues, and I think the only way is really to open up a consultation process with the industry to address them.

Mr. Frank Klees: Thank you very much.

The Chair (Mr. David Oraziotti): Mr. Bisson.

Mr. Gilles Bisson: No question. I guess we'll agree to disagree. Thank you.

Mr. Jim Devlin: Thank you.

Mrs. Linda Jeffrey: Thank you very much for being here today. I guess nobody would disagree with you that public vehicles are among the most fuel-efficient, as you state in your presentation, but I guess what we're trying to do in this legislation is provide people with some alternatives.

I think right now they're carpooling back and forth to school or from work, and I guess many MPPs around the table hear from their constituents, whether they live in Peterborough or Waterloo or Niagara Falls, "When are we getting GO train service?" There are a lot of communities that don't have any public transit that would allow them to get to where they need to go, and right now it's not technically allowed without this legislation. What would you say to those individuals who don't have those alternatives?

Mr. Jim Devlin: First of all, I disagree that it's not allowed; it is allowed. What's not allowed is the commercial operation. The way that this legislation is written and the conditions attached to it, there is no one on earth who can enforce those conditions—absolutely no one. What you're describing is available now—absolutely available—and has been going on for years. The only people who were complaining were the commercial operators.

Unlike a number that had gone to the transfer board and had their operations ruled illegal, PickupPal opted to go public with a very skilled media campaign to try to portray their commercial operation exactly the way you've described it—two very different operations. Without sitting down and having a thorough discussion so that we all understand the issues, how can it be addressed?

To my point about the 1996 amendments to the Public Vehicles Act, we have this disorganized industry because in 1996, those amendments that are causing us the problems now were only meant to be there for a very short period of time, until the industry was deregulated. It's 13 years later—in fact, I'm convinced I'm going to be dead before that happens.

Mrs. Linda Jeffrey: Thank you.

The Chair (Mr. David Oraziotti): Thank you for your presentation, Mr. Devlin. That's all the time we have.

ONTARIO MOTOR COACH ASSOCIATION

The Chair (Mr. David Oraziotti): The next presentation is the Ontario Motor Coach Association: Brian Crow, president; and David Carroll, director of safety. Good afternoon, gentlemen.

Mr. Brian Crow: Good afternoon.

The Chair (Mr. David Oraziotti): You can begin your presentation when you like. You have 10 minutes for your presentation and five minutes for questions, should members wish questions. Please just state your name before each of you proceeds. Go ahead.

Mr. Brian Crow: My name is Brian Crow; I'm president of the Ontario Motor Coach Association. With me is David Carroll, our director of safety. OMCA is a voluntary trade association. We represent Ontario's scheduled intercity bus industry, the charter carriers, the contract carriers along with tour operators and related suppliers. We have 1,027 members. Thank you for the opportunity to express our concerns on one component of Bill 118.

We have no concerns with the hand-held electronic device component of the bill. As the number one concern of our association members is road safety, we fully support the government's action to reduce the distraction that can result from any driver's use of hand-held electronic devices. We are, however, very concerned with the component of the bill that would amend the current carpool exemption in the Ontario Public Vehicles Act.

Before this legislation was developed, we offered to meet with the government and outline our concerns with such legislation, but they didn't accept our offer and only agreed to meet with us six weeks after the bill was introduced.

We want to be clear: OMCA is not opposed to friends or acquaintances hooking up and riding together in order to share expenses for automobile trips to a common destination. After all, this sort of informal ride-share arrangement has been part of road transportation since the dawn of the automobile. This type of ride sharing is just common sense and should never result in enforcement action under the Public Vehicles Act; nor are we opposed to the current exemption in the Public Vehicles Act that addresses carpooling for commuters. This bill will broaden the existing carpool exemption by removing operating restrictions, thus enabling ride-share operations to also establish themselves as commercial enterprises that may put public safety at risk.

The existing legislation regarding carpool vehicles confines these operations to commuter-type operations where co-workers travel together on a regular basis. In other words, it's a recurring type of arrangement where riders generally know each other, minimizing safety and security concerns. Today, the likelihood of a commercial enterprise being established under the guise of "carpool vehicle" legally is limited.

Expanding the carpool exemption to enable ride-share-type operations to function outside the regulatory controls of the Public Vehicles Act will result in total strangers riding together on highways and all the inherent risks associated with that. It will enable profit or not-for-profit organizations to use the Internet to electronically match drivers with passengers who will not know each other.

We teach our children from a very young age not to talk to strangers and, above all, not to ride with strangers. For those of you who, like me, have sons and daughters, I've always told my kids, "You don't talk to strangers. You don't take rides with strangers." Even as they were going through university, they were not to ride home with a stranger.

Bill 118 says in effect that it's okay to ride with strangers. In fact, it promotes riding with strangers. The government's proposal will facilitate and promote "virtual hitchhiking" to occur via the Internet, with the same risks that go with picking up a stranger standing at the side of the road. It raises all sorts of safety and security concerns such as: Does the driver hold a valid driver's licence? Is the vehicle in safe condition? Does the driver have valid insurance? Is the driver fatigued or impaired by drugs or alcohol? Does the driver have a criminal record? Is the driver predisposed to violent or inappropriate behaviour?

The government and every police service across Ontario have long cautioned the public about the dangers of hitchhiking. We've all heard stories of tragic outcomes when drivers or passengers are riding in a car with a total stranger. In our opinion, the government is the last one that should promote ride sharing or hitchhiking amongst strangers.

We all know the risks of the Internet. It is our understanding from a recent media report that one of the popular social networking sites on the Internet removed 90,000 registered sex offenders who had pages on their site.

We don't believe that the government has considered the proposed bill from this public safety perspective, but it needs to before it implements a law that will put the public, and in particular college and university students, at considerable personal risk.

Bill 118, as it applies to ride-share activities, will be impossible to enforce. It will exacerbate the existing problem with rogue van operators that operate virtually unabated due to lack of effective enforcement. The OPP and MTO have admitted it's extremely difficult to enforce the Public Vehicles Act against these types of van operators. The same enforcement challenges will make it

almost impossible to enforce conditions around Bill 118's proposed ride-share amendment.

We have circulated a copy of my remarks today on our position. We thank you for considering our concerns and hope that, in the interests of public safety, the government will decide not to proceed with this Public Vehicles Act amendment.

The Chair (Mr. David Orazietti): Thank you very much. Questions? Mr. Bisson.

1520

Mr. Gilles Bisson: Obviously, I take a bit of a different view than you. I understand, however, that some of your concerns are based on where you're coming from and have some legitimacy. The question I have is—bills like this, as you well know, are often left to regulation when it comes to the details. Are you suggesting, then, that there needs to be some sort of a working committee to look at the regulations on how you make this work, to make sure that in fact some of the concerns you have are addressed in the regulations of the bill?

Mr. Brian Crow: I think what I'm saying is that the current law allows for carpooling; it allows for friends sharing rides with friends. What I'm saying is that there does not need to be any amendment.

Mr. Gilles Bisson: So, even properly regulated, you would not want to see this go forward?

Mr. Brian Crow: Properly regulated, properly enforced with the safety needs of the public addressed, I'd like to take a look at that. I don't know how that can be, but if you can draft legislation, we'd certainly consider it.

Mr. Gilles Bisson: I take a different view than you. Listening to the comments that you're making about, you know, "Don't trust strangers," I think that's part of the problem of our society: We don't trust each other sometimes. Yes, we need to be guarded; yes, we need to be careful; yes, we need to walk into all situations with our eyes open. But this whole sense that somehow or other we can't trust each other is just one that has always bothered me. I just want to say that up front.

As far as what the legislation is trying to do, it's trying to do what has been going on for virtually many years. As you well know, this practice has been going on probably longer than the wheel has been invented. Since we used to drag the cart with the horse, people have been getting into one form of carpool or other to much success. The legislation is trying to recognize what is going on out there now and trying to put at least some regulation around it to make sure that people are insured, to make sure there is a security check system, to make sure that we have some oversight over the process rather than just leaving it wide open.

Mr. Brian Crow: I sort of disagree with you. We've agreed to disagree, as you said earlier.

Mr. Gilles Bisson: That's fair.

Mr. Brian Crow: My understanding is, and our belief is, that this can't be enforced with the fences that they've put around it. It's not enforceable.

Mr. Gilles Bisson: My point is that it happens already, and a carpool—

Mr. Brian Crow: I agree with you, Mr. Bisson, I'd love to think that we can trust everybody, and I share your concern—

Mr. Gilles Bisson: But my point is that we already have carpooling in the province of Ontario, as we do across Canada and North America, and the incidents of people preying on each other as a result of carpooling—I haven't seen that borne out in any kind of study that has been done. So if you're saying to me as a legislator—and I understand the argument—that we need to take a better look at how we write the regulations on this, I'm prepared to listen to that. I think that makes some sense, and I would certainly welcome the opportunity for the minister to allow me to give some input into that. But to say that we're not going this way, I guess that's where we're going to have to disagree.

The Chair (Mr. David Oraziotti): Mr. Crow, the final comment to you.

Mr. Brian Crow: You mentioned the carpooling. This expands that a lot. We're okay with carpooling, and you mentioned that there have been no experiences—that's because the existing law on carpooling deals with people who are commuting every day, they work together and so forth. Do you think this act also—

Interjection.

The Chair (Mr. David Oraziotti): Mr. Bisson, let Mr. Crow finish, please.

Mr. Brian Crow: This is not just carpooling, Mr. Bisson; this is vanpooling. This is nine and 10 passengers. I haven't seen a car with 10 passengers, so this could also be called vanpooling. It's not just carpooling. It grows it largely.

The Chair (Mr. David Oraziotti): Thank you, Mr. Crow. To the government side, Ms. Jeffrey.

Mrs. Linda Jeffrey: Thank you, gentlemen, for being here today. You make a very compelling argument. I hadn't thought about it as virtual hitchhiking, as you indicate in your letter.

I kind of agree with Mr. Bisson: I would really prefer to hear what you would recommend as a positive recommendation with regard to the carpooling piece of this legislation rather than throw the baby out with the bathwater, because there are a lot of communities, as I indicated in my earlier question, that have no service at all, and they need to have something in the interim before we put GO trains in those parts of the world. So we need to find a way to provide safe alternatives and options. Clearly, the Ontario Motor Coach Association provides an alternative, and a good one, for many people, but not everybody can use that alternative, and you may not be operating in a place where they can access those services. Is there a way that you can look at the legislation in the next few days and provide some positive recommendations with regard to the safety considerations you've raised here today?

Mr. Brian Crow: I never want to say “never,” but Dave Carroll and myself, we've talked about this a lot at our office. I hate to use the words, “Let's keep the status quo.” We don't want that in our industry. We're trying

all sorts of new things, but here we are, on this particular one, saying, “Keep the status quo.”

Dave and I have looked at a number of things, wondering how we could in fact answer your question and come to you with suggested changes. We haven't been able to find wording or legislation to bring forward here to recommend a change.

We know, when things come to these committees, it's ideal to come with—“Well, make a recommendation. If you don't like what's here, what would you do?” I've got to tell you, after a lot of thought between us and with our association, we're here to say, “Keep the status quo.” I don't like saying that, but we can't come up with any recommendations that would do what you want to do.

We're still not opposed to carpooling. There are still those people—I think there are 1,200 communities in Ontario that get bus service. There are communities that are getting 49 and 50 trips a day between Toronto and that community. I think we provide a lot of service. If there is a community that does not have service, they can still carpool, if they're going to and from work, and fit the carpool regulation. And if they're travelling with friends, they can still travel with friends.

Mrs. Linda Jeffrey: Thank you.

The Chair (Mr. David Oraziotti): Thank you, Ms. Jeffrey. Mr. Klees?

Mr. Frank Klees: Mr. Crow, thank you for your perspective on this. Again, you've raised an issue that probably many of us haven't considered in the context within which you've presented it. I think the parliamentary assistant actually triggered the issue when she said, and rightfully so, that many communities don't have commercial service. However, as Mr. Devlin said, he operates a commercial service based on vans of 10, or nine passengers plus one. So there are services.

I think what's happening here is that we're really missing the point in terms of what we are trying to promote. If what we're trying to do is create transportation services for communities that don't have them, then perhaps there are some other things we should be doing to encourage commercial operators to get into that business and provide that community, rather than saying, “Look, we're going to open this thing and we'll call it carpooling,” which, by the way, to your point—you're under all of the restrictions: safety restrictions, enforcement requirements and so on—that won't then exist. This is not about carpooling, is what I'm hearing you say, because that's already taking place.

I've raised the issue before in this committee: If what we're now saying is that if you're carpooling three, four or five students together and we want to formalize that, now we need an entire system that's going to deal with the issues of liability, with all of the other issues that you've raised here.

I think this committee does have some serious thinking to do. I hope the government is listening, because I don't think this bill does what the government intended it to do. I think it may be creating more problems, and more restrictions, actually, when people look at what the im-

plications are: restrictions, on the one hand, and problems to a commercial industry, and potential liabilities to people who are now driving up and down the 404 or between Peterborough and Toronto because they're carpooling as students, as co-workers and so on.

We need another look at this. I want to thank you for giving us your perspective on it.

Mr. Brian Crow: You're welcome. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

MUNICIPAL LAW ENFORCEMENT OFFICERS' ASSOCIATION OF ONTARIO

The Chair (Mr. David Oraziotti): Our next presentation, the Municipal Law Enforcement Officers' Association of Ontario: Jon Popple and Stephen Skyvington. Good afternoon, gentlemen. Welcome. You have 10 minutes for your presentation and five minutes for questions, should the members wish to ask questions. Please state your names for the purposes of our recording Hansard. You can begin when you like.

Mr. Jon Popple: Thank you. Good afternoon, Mr. Chairman and members of the committee. My name is Jon Popple. I currently serve as the vice-president of the Municipal Law Enforcement Officers' Association of Ontario. I am joined today by Mr. Stephen Skyvington, from Blackstone Public Affairs Group.

The Municipal Law Enforcement Officers' Association of Ontario is pleased to participate in these deliberations. As members of this committee, your work is of great importance to the people of Ontario. On behalf of our members, we thank you for your commitment and hard work.

The Municipal Law Enforcement Officers' Association is an active and well-established organization representing over 1,300 members throughout the province of Ontario. Our membership ranges from small rural communities to large urban centres. Our members can be found in every region of Ontario.

1530

Municipal law enforcement officers are appointed by council under provisions of the Police Services Act or other provincial statutes. They enforce local municipal bylaws and applicable provincial statutes. Our members' responsibilities include traffic, animal control, firearms, environmental offences, livestock, property standards, parking, zoning and other areas related to health and safety in the province of Ontario.

As public safety officials, we strongly support Bill 118 and applaud the McGuinty government for moving decisively to protect Ontarians. Our association would also like to acknowledge the significant contributions made by Mr. John O'Toole, MPP for Durham, for tirelessly advocating for similar legislation through a variety of private members' bills over the last 10 years.

Municipal law enforcement officers understand the significance of Bill 118 and the importance of public

safety. It is estimated that driver distraction is a contributing factor in about 20% of all collisions in Canada. Research shows that the most frequent distraction is the use of hand-held wireless communication devices. Furthermore, studies have shown a four-fold increase in collision risk when drivers use cellphones.

As law enforcement professionals, we are very supportive of public safety initiatives. In our view, Bill 118 will make a significant contribution to safer roads. We are convinced that Bill 118 will save lives—the lives of family members, friends and our fellow citizens.

As you know, some 50 countries worldwide have banned the use of cellphones by drivers, including the United Kingdom, Germany, France, Japan and Australia. A number of US states are moving in the same direction. In Canada, provincial legislatures in Newfoundland, Quebec and Nova Scotia have passed similar legislation. The province of Manitoba also recently introduced its own version of Bill 118. We believe that Ontario must act in a timely fashion to ensure that our roads are made safer and our citizens are protected against drivers who operate their vehicles in an unsafe manner.

However, the Municipal Law Enforcement Officers' Association believes that Bill 118 may inadvertently contribute to unsafe situations. We come to this conclusion as a result of the legislation's failure to provide an exemption to our members in the same manner as police, fire and ambulance department employees. As members of the law enforcement community, we believe our members should also be exempt in the performance of their duties.

Municipal law enforcement officers are confronted on a daily basis by situations where the need to communicate quickly and effectively is of paramount importance. A delay in such communication may prolong an unsafe environment and contribute to unsafe situations. Our members are frequently dispatched to school zones where parked vehicles place the lives of school children at risk. Municipal law enforcement officers respond to calls related to blocked fire routes at high-rise buildings or nursing home facilities that, in the event of a fire, would endanger the lives of the occupants.

In the course of carrying out our duties, municipal law enforcement officers are also called to emergencies such as aggressive animal attacks or potentially diseased wildlife. In my own jurisdiction of Wasaga Beach, we are often the primary searchers for lost children, visitors or seniors. We use our vehicles during searches to provide the last whereabouts and descriptions of individuals to other agencies such as the Ontario Provincial Police. Our officers are frequently dispatched to deal with burning bylaws which may require immediate communication with our fire departments if we believe the fire creates an unsafe, dangerous situation. Frankly, from my personal perspective, I would find it more difficult to carry out my duties and serve the public under Bill 118.

Municipal law enforcement officers work in geographic environments that are not conducive to stopping to receive dispatches or communicate essential infor-

mation without impeding traffic. Particularly in large urban centres, the opportunity to stop on a regular and frequent basis to exchange information being dispatched to an officer to carry out his or her duties would pose more of a danger than receiving the dispatched message.

In its present form, Bill 118 recognizes the work of emergency personnel. Accordingly, the legislation provides exemption for police, fire and ambulance drivers. The exemption, as it currently stands, is appropriate and necessary. However, Bill 118 fails to address the role of municipal law enforcement officers. As partners in law enforcement, we believe such oversight will result in increased risks to public safety in our communities.

We therefore urge members of this committee to support our position and recommend the necessary amendments to Bill 118 in order for municipal law enforcement officers to be exempt from this legislation.

We thank you for the opportunity to present our brief and welcome your questions.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. We have about two and a half minutes for each caucus. We'll start with the government caucus, Ms. Jeffrey.

Mrs. Linda Jeffrey: Thank you for being here today. As a former municipal councillor myself, I'm trying to understand the nature of your argument, so I'm going to be a little bit of a devil's advocate, if you don't mind. Do you use a BlackBerry when you're communicating with your office with regard to trying to get something resolved, whether it's a blocked school zone or a fire route? How are you communicating now?

Mr. Jon Poppo: If I speak from personal experience, in my office we communicate either via cellphone or with two-way radios, so CB radios from vehicle to vehicle or from vehicle to a base station at city hall.

Mrs. Linda Jeffrey: So right now you would have a CB radio that was attached with a wire and a hand-held. That's not the issue. It's the cellphone, really, that's going to be limited by this legislation if it goes through. Have I got that right?

Mr. Stephen Skyvington: Yes, as well as those who use BlackBerries. He's in Wasaga Beach. Municipal officers, let's say in downtown Toronto, will have different situations.

Mrs. Linda Jeffrey: Okay. Essentially, the CB part would not be a problem, but you're thinking you'd need an exemption for anything hand-held in order to carry out your duties.

I'm trying to think of the emergency situation, whether it's a blocked fire route—I don't know that you need to be driving while you're informing somebody that a fire route is blocked. You can park, write down the licence plate number—I think that's what a bylaw or a municipal officer does, kind of describes the vehicle, which I don't think you would want to be doing while you were distracted, or have I got that wrong?

Mr. Stephen Skyvington: I can actually give you a very good example in Toronto in the Beaches with the wolf—a wolf or fox, I forget which it was—

Mrs. Linda Jeffrey: It was a wolf.

Mr. Stephen Skyvington:—where they were trying to track that down. That's where somebody would have to be driving to keep on the trail of that animal, just for one quick example. You may want to throw a few others out.

Mr. Jon Poppo: In terms of your question, it's not the fact that we require the cellphone or the BlackBerry to deal with that person in the blocked fire route. It's being dispatched, the call. A lot of officers don't use CB radios; they have a cellphone, so their office is calling them on a cellphone. So they're having to pull over every time they receive a cellphone call to receive that dispatch information? Like the presentation says, in downtown Toronto it might not be feasible to pull over to receive that information.

Mrs. Linda Jeffrey: And a hands-free option wouldn't be feasible? At the end of the day, I'm trying to understand the situation. If you're driving and you're following a wolf, I don't know that you want to be holding something to your ear while you're trying to drive and follow a wolf. So distracted driving is—

Mr. Gilles Bisson: The wolf is faster than the car.

Mrs. Linda Jeffrey:—definitely a problem, but add something erratic like that, and I'm thinking that's not helpful to the bylaw officer, who needs to be calm, cool, following the rules of the road and not becoming an impediment themselves. Is it something you need to go back to your council for to get additional funds so you can have the hands-free, if that's not available, so that you're able to do your job more effectively? Does that make sense?

The Chair (Mr. David Orazietti): That's about all the time we have for questions, so if you want to just quickly respond to that, you can go ahead.

Mr. Jon Poppo: That certainly is an option, but all municipal councils may not support the purchase of hand-helds with the budget restrictions that are currently facing most Ontario municipalities. It certainly is an option. I don't know if I have the exact answer to that. Sorry.

Mrs. Linda Jeffrey: Okay. Thank you.

The Chair (Mr. David Orazietti): Thank you. Mr. Klees.

Mr. Frank Klees: I'm sorry that I had to step out for a couple of minutes. Would you be willing to take the parliamentary assistant along on a ride with you some time so that she can observe first-hand this kind of wolf chase that you might be on? It'll help her better understand why you need an exemption.

Mr. Gilles Bisson: It would have to be a fox. A wolf ain't that stupid.

Mr. Frank Klees: We have the government already agreeing to exemptions for police, fire and ambulance drivers. You people know your business and the kind of activities that you're engaged in. I'm assuming by the fact that you are law enforcement officers that you're responsible, you have a good sense of what you can and cannot do and what would be safe.

1540

For the record, I certainly would support an exemption such as you're requesting. We've got a long list of people who've come forward giving us reasons why they should be exempted. Personally, I have concerns about this legislation to begin with. I've actually asked on a number of occasions, if the government is so serious about this and they really do believe that it's important, then why are there not consequences for people who are actually convicted under this provision? The answer that the minister gave again today is, "Well, people may challenge it and then we'll block up the courts." I really think that it's a cost of doing business for people.

My point simply is, thank you for your presentation. I think you're making a reasonable request and hopefully the government will acknowledge that as well.

The Chair (Mr. David Oraziotti): Mr. Bisson.

Mr. Gilles Bisson: I'm going to take a bit of a different tack. I have sympathy for where you're going, but as I read the legislation, if I'm a police officer or a fireman, I can be ordering pizza on my BlackBerry and it would be legal. It's not in the carrying out of duty. I think that's the amendment that's needed—that BlackBerry and other devices, while carrying out the duties of the police officer or the firefighter etc. It's a blanket exemption for anybody who's in the legal profession—for firefighters. I think it's got to be tightened up to say "only when being used in the carrying out of duties," and then add you into the amendment under that particular area. I raised that just to get the government thinking a little bit, because as I read it, it was fairly wide open to interpretation.

The other part is that under section 1, there's an ability for the minister to make amendments to add people to be exempted. I guess what you're saying is that even though the minister has the right by way of regulation to exempt you, you want to see it written out in legislation; you don't trust it to happen in regulation.

Mr. Stephen Skyvington: Basically, having been involved in a lot of legislation over the years and been part of a lot of hearings, I've often heard governments say, "Well, this was our intention." One of the things to remind government is, it's not the intention that counts; it's what's actually in the legislation. We don't want to have to come back a year from now or two years from now to try to get an amendment or to try to get a minister to put something in to that effect. We'd like to get it right at the beginning.

We're very much in support of the bill. We're quite pleased with what government is doing with this. We just think that it would make sense to add the municipal law enforcement officers at this point. We don't want to have to rely on somebody's goodwill, waving a magic wand. We want it in the legislation.

Mr. Gilles Bisson: But under the proviso for the carrying out of their duties—you'd be fine with that?

Mr. Stephen Skyvington: Absolutely. We don't need to order a pizza.

Mr. Gilles Bisson: Well, ordering pizza is a good thing, but not necessarily on a BlackBerry while you're

driving, especially if you're texting it out to 9-11 or whatever they call those places—241 Pizza. Don's Pizzeria in Timmins—best pizza in town.

The Chair (Mr. David Oraziotti): Thank you very much, Mr. Bisson, for your questions.

Thank you for your presentation.

ONTARIO SAFETY LEAGUE

The Chair (Mr. David Oraziotti): Our next presentation is the Ontario Safety League, president Brian Patterson. Good afternoon, sir.

Mr. Brian Patterson: Good afternoon.

The Chair (Mr. David Oraziotti): You have 15 minutes for your presentation. I understand you're going to be speaking to Bill 118 and Bill 126. Just state your name for the purposes of Hansard, and you can begin as soon as you like.

Mr. Brian Patterson: Brian Patterson. I'm the president and general manager of the Ontario Safety League.

It will come as no surprise to members of this committee that we support both of these bills in the direction that they're going, in the tenor and tone that they are putting forward with respect to safety in the province of Ontario and on our roads.

I'll split my comments quickly as to the two issues that we see in play with respect to distracted driving.

It's become more and more evident—and I think the last presenter may have touched upon that—that there are going to be more reasonable accommodations for hands-free devices, Bluetooth etc. The cost of these devices is dropping. The acceptability of them is significant.

I am a cellphone user—some would say; my close friends—extraordinaire. I've found the adoption of the Bluetooth workable. I didn't find it workable a couple of years ago, but the technology is in place.

Our concern is that we put a very significant standard of safety on original equipment manufacturers of any standard in this province. So if you purchase a vehicle that has OEM equipment in it related to either GPS or cellular phone technology, or future technology, they seem to have spent an awful lot of time on safety. That is not the case with non-OEM, non-original equipment manufacturer items. And that's where we're seeing the problem today. You can put equipment in a car that fighter pilots would have used up until quite recently. We see lots and lots of that in how the equipment is being installed. There is no vetting of non-OEM equipment that's going to make it into the marketplace. So this is forward-thinking legislation, in our minds, with respect to that. Because it will become a problem for them to put their equipment out that is either unsafe or difficult to operate, it's going to discourage those pieces of equipment from being widely sold in Ontario.

I can tell you that on any given day the Internet is full of ways to disable any safety features on any of this equipment. So if you have an OEM GPS, you can't punch addresses and adjustments in as you're driving for the simple reason that the safety override wouldn't allow

for that. But if you're carrying a GPS and driving and adjusting and answering questions, those sorts of things are happening.

What we're finding is that some people have two, three or four separate distractions in front of them at exactly the same time. So whether it's Sirius radio and a cellular phone and GPS or ongoing streaming video or just getting those CP24 breaking-news updates as you're driving, it's getting to be more and more cluttered.

I think we're going in the right direction. From our perspective, greater public education as to where these issues arise is in place.

I had the benefit, with Operation Red Nose, on the impaired driving side, to get in and out of a number of people's cars. I have to tell you, I got into a Mustang, and the radio opened up into a television screen, and the music video started to play, and the GPS flashed on, and there were lights around. But at the end of the day, I don't think any of that would have made it through any sort of safety review. So we've got to allow common sense on the part of some people, and I think that's by way of education.

On the issue of the fine, I don't believe that the enforcement side of this measure carries weight on the safety side. The significant benefits in the province of Newfoundland resulted in, I think, 500 tickets over eight years, or 800 tickets over five years. Ticketing is not the issue; it's the ability to remind people that it's an unsafe practice and that they should refrain from it wherever possible, and people do adopt that. So on the distracted driving, you're going in absolutely the right direction with this legislation.

The on-duty issue is something that we believe should be in there as well, because in fact the blanket exemption, when we know people use cellphones for personal business all day long—so if we exempt couriers, for the courier who is going to get the emergency rush order by cellular phone, he could also be calling home or doing whatever is not required. At \$100 a unit for Bluetooth technology—and I'm told you can swap phones regularly, so your entire team, whoever is in that car, can link up to that Bluetooth and operate it safely and successfully. So that's not going to be an issue.

1550

To the Road Safety Act and the amendments with respect to impaired driving, we really think that this is an opportunity where we better focus what we want the public to mirror in good, safe behaviour, and that's to actively look at zero as the amount of alcohol they want to have in their system. Unfortunately, we've spent way too much time on the science of trying to decide by body weight, size, volume, composition, meal etc. whether or not you're impaired. Well, we do know that the numbers contained in this bill are supported with science as to impairment and decision-making while driving. Again, a good public education campaign attached to that will create that.

I see that in my work on impaired driving. We delivered 10,000 drivers home this year with the Operation

Red Nose program. I'll tell you that in the three years that I've been actively involved on the face of that impaired driving program, we're seeing what would perceptibly be better, safer behaviour on the part of people, many of whom get a ride home because they've been drinking somewhat—not because they're impaired, not because they feel they're over the line, but because they think it's safer for their community and for others. So we support this.

My only issue is an operational one. I would take this opportunity to suggest that we think the roadside testing equipment, at about \$1,500, may require a significant investment from the Legislature into those devices so that the second test can be undertaken in all municipalities where there's a limited number of officers on the road. If I'm pulled over and fail a roadside screening device and if, in fact, I want a second test, there's quite a complex method of doing that.

My suggestion is that you buy a second machine for all of those vehicles or those jurisdictions where it's appropriate, and the second device is taken. If you fail on both devices, you fail twice at the same location; we're not trying to coordinate police officers and moving people around and trying to get it all sorted out within two hours. We think that's doable, and we think it's at a cost of about \$1.5 million for the province to put 1,000 additional devices out there to help deal with this matter. It'll certainly save lives. Thank you very much.

The Chair (Mr. David Orazietti): Thank you, Mr. Patterson, for your presentation. We'll start with the Conservative caucus. Mr. Klees? You have about three minutes for questions.

Mr. Frank Klees: Thank you, Mr. Patterson, for the good work that you do and that your organization does. I want to follow up on the issue of this double testing. It seems to me that it presents a problem by virtue of the fact that it's even being proposed in legislation. What we're really admitting is that the technology that's out there can't be relied upon. The way that this legislation is structured, it's up to me, as the driver, to request the second test, and that may be some distance away from where the initial test takes place. I don't understand how accurate that's going to be and what the implications of that time delay are.

What you're suggesting now is that you simply give each car two devices, and if you're stopped, you're going to take one test and then you'll administer a second. Now you've got two devices that are apparently the same technology. Why can't both fail or why can't both be inaccurate? I don't understand, first of all, that we cannot today rely on the accuracy of this kind of testing equipment. Second, I don't understand the logic of what you're proposing, to have two of the same pieces of equipment that may well give the same result.

Mr. Brian Patterson: All the evidence I've seen is that the equipment is accurate and that the second test requirement is purely a result of how we've structured case law surrounding impaired driving, that we allow for that under the legislation and that it's an issue. What I'm

saying is, if you step on weight scale number one and you're overweight, the other scale comes out if you request it; and if you step on scale number two and you're overweight, then you're overweight.

Mr. Gilles Bisson: Damn scales.

Mr. Brian Patterson: I'm not a fan of scales, personally. But they're both accurate.

I think there's this feeling among the legal community that unless we remove every possible opportunity—it used to be that roadside sobriety and evidence of impairment was sufficient. Now we require an accurate measurement provided by a device approved by the—fine. We're now in a situation where you may require two of these devices for that second issue. It's not an issue for major municipalities that might have 10 units on the road at any given time. So that's not an issue. But in smaller communities where they might only have one officer out on an impaired program, or the Ontario Provincial Police, where the next officer might be 25 minutes away or 30 minutes away, it's there.

It's not an issue of the accuracy of the machine, because the temperament of the individual changes over time. So if I'm in an escalating impairment situation, I've had five beers and I've left the bar and I've blown over, if I wait two hours I'm going to be more impaired. So I may go from a cautionary zone to impairment and loss of licence. Conversely, if I've gotten up in the morning and the evidence is that I'm impaired, and I blow in the machine two hours later, I might be less impaired. So you've got both issues and the number between one test and the other. I just think the likelihood of having two fully calibrated machines both make the same mistake—for the court, it's there.

I don't want to give impaired drivers the opportunity to play that two-hour window, play notice to the defence lawyer or, for example, in municipalities where you've got a limited number of resources on at night, that we've got to bring officers in off duty to go back to the station and collect a second device or send people to the station and they get lost. I just think that if you fail on door number one, we'll let you look through door number two if that's what you want, but there is no evidence that I've seen that these testing devices are in any way inaccurate, and that has been the finding in the court. If the court says you need to allow for two tests, I say make it very practical and make it very immediate.

The Chair (Mr. David Oraziotti): Thank you, Mr. Patterson. That's all the time we have for Mr. Klees. Mr. Bisson?

Mr. Gilles Bisson: Thank you; you've been very clear.

The Chair (Mr. David Oraziotti): Ms. Jeffrey?

Mrs. Linda Jeffrey: Thank you for being here today. Certainly, the Ontario Safety League and you have been good partners in almost all the legislation I've ever been around in the House. You've always had a comment on it, and you've tried to be proactive and constructive in your suggestions, so thank you.

I have in my notes here that you were consulted in summer 2008 on the graduated licensing system suggestions that we were putting forward at the time. I understood that at the time you had some concerns about it. Are you happy with the way it has been written out now? Are you satisfied with it? Were your thoughts conveyed in the proposed legislation now?

Mr. Brian Patterson: Yes. The graduated licensing provisions contained in the bill are the ones that we considered in the fullness of those discussions with other stakeholders. I think the ministry listened to those issues as we brought them forward, on the practical side, and I think they're workable. Graduated licensing, as you know, hasn't been looked at aggressively for about 15 years, and these are positive steps in the correct direction.

Mrs. Linda Jeffrey: Thank you very much.

The Chair (Mr. David Oraziotti): Thank you for your presentation.

ELECTRO-FEDERATION CANADA

The Chair (Mr. David Oraziotti): The next presenter is the Electro-Federation Canada, Milos Jancik, President.

Good afternoon, Mr. Jancik, and welcome. You have 10 minutes for your presentation, so you can start when you'd like. Just please state your name for the purposes of our recording Hansard and you can go ahead.

Mr. Milos Jancik: Milos Jancik, president of Electro-Federation Canada. With me is Christa Groisboeck, president of Kenwood Electronics Canada Inc.; and my assistant, Kathryn Cosgrove, who will operate the computer if we can get it hooked up. While it warms up, I'd like to thank the committee for giving us the opportunity to present today. This is with respect to Bill 118, An Act to amend the Highway Traffic Act to prohibit the use of devices with display screens and hand-held communication and entertainment devices and to amend the Public Vehicles Act with respect to car pool vehicles.

1600

Our association, Electro-Federation Canada, is a national, not-for-profit industry association. We represent over 300 member companies that manufacture, import, distribute and service electrical, electronic and telecommunications products. Amongst our members, we have virtually all of the major companies in consumer electronics or telecommunication equipment. We represent an industry which employs some 130,000 Canadians and contributes some \$50 billion to the national economy.

The government of Ontario has recently introduced Bill 118, the Countering Distracted Driving and Promoting Green Transportation Act, 2008, legislation aimed at improving road safety in Ontario, which as currently proposed will prohibit the use of devices with display screens and hand-held communication and entertainment devices. We at EFC recognize the importance of smart regulation and welcome the opportunity to provide input to the government of Ontario on shaping the pending changes to the Ontario safety regulations.

The legislation, as currently proposed—assuming we’re reading it right—raises significant concerns for our members, who produce and market both original equipment as well as aftermarket vehicle electronics and multimedia equipment. There are two issues that cause us concern within this bill. The first one is the ban on the use of all hand-held devices in vehicles. Note that we’re not disputing the ban on drivers using hand-held cellphones or any device using texting or other forms of messaging or Internet access. The second concern we have is the wording on the use of display screens visible to the driver in automobiles. Again, we’re not disputing a ban on visual entertainment being visible to the driver while the vehicle is in motion.

Let me say a few words about the ban on all hand-held devices in automobiles. We support the ban on the use of hand-held cellphones by drivers. However, regarding hand-held communication, we’re concerned that it only, as we understand it, exempts police, fire and ambulance users. There are many businesses which rely on hand-held devices for communication: dispatch and service operations, couriers, taxis, repair services and so on. We feel that the ban on all hand-held devices is unnecessary. The distinction we make is with the operation of devices such as CB radios and other high-frequency wireless equipment, neither of which has connectivity to the public telephone network. Typically also, dispatch-oriented communications are minimally distracting in that they are generally of short duration, well structured, and pass a limited amount of information.

We believe that the main thrust of this law is to eliminate hand-held usage of cellphones, and that other two-way communications devices not in general use by the public and not connected to any public telephone or other network are not a problem, and hence such usage should be exempt. So I guess the ask would be an exemption for all businesses which involve dispatch services not using cellphones or the public switched network for such services.

The second issue is the ban on the use of display screens as they pertain to entertainment devices; and again, it’s our reading of the language of the bill. Many modern vehicles come equipped with display screens visible to the driver either as standard OEM equipment or in the aftermarket form, which can be installed later into an automobile. In many cases, these are touch screens that are used only for control of vehicle and audio systems. Features may include weather information, backup safety cameras, and navigational systems. Most do not have TV-DVD entertainment capability, and when they do, if properly installed as per the manufacturer’s instructions, their use is inhibited while the vehicle is in motion. In other words, it can only be used if the vehicle is parked and the hand brake is engaged.

The ban on the use of display screens as they pertain to entertainment devices: We believe that driver-visible TV-DVD screens should be banned while the vehicle is in motion and we have no issue with such a ban. However, as currently proposed, the law seems to disallow

having any screen visible to the driver, with the exception of navigation and vehicle location systems. To comply with this requirement would require modification to many vehicles sold in recent years with a display screen as part of OEM equipment, as well as many new cars even before they are sold.

In addition, in regard to the aftermarket industry, products with display touch screens that enhance the interface with audio entertainment products are actually safer to use while driving. Often menu structures and buttons are easier to navigate through and access via a touch screen. Therefore, we believe that eliminating display screens providing visual entertainment which is inhibited while driving does not achieve the desired objectives. Our recommendation is that this section of the law should be amended to provide exemption for display screen devices visible to the driver provided that if the device does have a video entertainment capability, then that must be inhibited while the vehicle is being driven.

In your handout you will find there is wording which we found in a similar law in California which seems to address that. We’ve also in the handout given you a link to digitaldriver.org, which was put together by the Consumer Electronics Association in the United States and which has a lot of information that is relevant to the use of electronics in vehicles.

Finally, this is not in our presentation, but there are new developments with mobile electronics; for example, Microsoft and Ford developed Sync, which is a platform for mobile electronics. Again, all of those devices are disabled while the vehicle is in motion, but they provide a lot of functionality, such as mobile office and so on. They’re open to new software developments on a collaborative basis, so the expectation is that we will see a lot more of mobile electronics in the future.

And that, Mr. Chairman, is our presentation.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. We’re going start with Mr. Bisson. Questions? You have about two, two and a half minutes.

1610

Mr. Gilles Bisson: You actually raised a question here, because I thought section 78 actually dealt with this, and once we get into the clause-by-clause, leg research could maybe give me a definition. But as I understand it, (d) says “instrument display screens that are used to provide information to the driver regarding the status of various systems of the motor vehicle.” I thought that included things like backup cameras—

Mr. Milos Jancik: Right.

Mr. Gilles Bisson: It does?

Mr. Milos Jancik: It does.

Mr. Gilles Bisson: I got it right. So then—

Mr. Milos Jancik: You got it right. Our concern is that some of those are combination devices which have this capability as well as other capabilities. We’re saying those other capabilities, such as TV-DVD, are not operational while the vehicle is in motion and therefore should be allowed in vehicles.

Mr. Gilles Bisson: Such as operating your radio types of touch screens? Is that what you're talking about? Give me a concrete example of a device that would be prohibited under this legislation that you think—

Mr. Milos Jancik: I used the qualifier "if we're reading it right," because I read that paragraph and it said some things are exempt; they're itemized. There will be other things that are not itemized. The example we use is screens which could be used, for example, for DVD. As long as those are disabled while the vehicle is being driven, then we believe they should be allowed. I don't see anything here that says they're not allowed, but it's a matter of interpretation in how those regulations are written.

Mr. Gilles Bisson: But now you buy a vehicle or you get an aftermarket product, for example, to operate your DVD player, which is for music—I'm not talking about watching television. It's a touch screen. Those are allowed?

Ms. Christa Groisboeck: Right.

Mr. Gilles Bisson: All right, so I'm missing something. I'm sorry.

Ms. Christa Groisboeck: Some of the newer products that are being offered, both by OEM manufacturers as well as aftermarket, are multi-use. So on the same what we call double-din screen, a screen where it's two typical single din, you'll be able to have GPS, which is allowed, you'll be able to have touch screen control of your audio functions—

Mr. Gilles Bisson: Which is allowed.

Ms. Christa Groisboeck: —and then there are additional functions such as DVD features which are only enabled when the vehicle is not in motion.

Mr. Gilles Bisson: Oh, I see. Okay.

Ms. Christa Groisboeck: It's all together in one unit. So as long as it's not in use while the vehicle is in motion, it should be allowed.

Mr. Gilles Bisson: Okay.

Mr. Milos Jancik: Not usable by physical interlock.

Mr. Gilles Bisson: I hear you. Okay.

The Chair (Mr. David Oraziotti): Just before we get to Mrs. Jeffrey, sorry, can you state your name for the record?

Ms. Christa Groisboeck: Christa Groisboeck.

The Chair (Mr. David Oraziotti): Thank you very much. Mrs. Jeffrey?

Mrs. Linda Jeffrey: Thank you for coming today. I appreciate your presentation.

I'm just trying to clarify your first issue. You're concerned that we're going to ban the use not just of cell-phones but of any hand-held devices by couriers, taxis, repair services or any business that relies on a dispatch service for efficient operation. I think in the last three days of deputations we've seen lots of requests for

exemptions from the commercial trucking industry and certainly from bylaw officers. They ask for some exemption for logistical tracking of their vehicles and the dispatch component. Certainly, we're not trying to ban the usage of it. I think what we're trying to do is make sure people who are driving aren't using a cellphone at the same time they should have both hands on the wheel. So I don't think that's what we're trying to do.

And although you indicate that the dispatch-oriented communications are minimally distracting, I don't know that you can determine how much is minimal and how much is maximum and medium distraction if there is a distraction in place. I think what we're trying to do is capture what is a reasonable distraction for anybody and trying to get you to narrow down where you think the exemption should be for what industry.

Certainly, if you have a dashboard-installed radio and you have a wire connecting it to a hand-held receiver, that's allowed and it's not part of this legislation. Do you have difficulty with that, or have I misunderstood—

Mr. Milos Jancik: We weren't sure, so we thought we would address that.

Mrs. Linda Jeffrey: Okay, but that isn't a difficulty with you? You see that as reasonable.

Mr. Milos Jancik: Basically somebody picks up the microphone and says, "Ten-four" and goes to the address, so that was the concern. Our members market the communications devices used, the high-frequency devices, wireless devices.

Mrs. Linda Jeffrey: Certainly I would say that this legislation does want to make sure that GPS units that are integral to the unit or that are purchased after the fact—they are part of the safe driving tool, and we want to make sure people use that. So long as people pull to the side if they are going to change the direction they are going, or to the location, as long as they're doing that, and/or using any other component of the vehicle's aftermarket or before-market process, that's what we're looking for too, so I think we're on the same page.

Mr. Milos Jancik: That's very reassuring. Thank you.

Mrs. Linda Jeffrey: Good. Thank you.

The Chair (Mr. David Oraziotti): Mr. Klees?

Mr. Frank Klees: That was very straightforward. Thank you for requesting that clarification.

The Chair (Mr. David Oraziotti): Okay. Thank you very much for your presentation.

Mr. Milos Jancik: Thank you.

The Chair (Mr. David Oraziotti): Just a reminder for committee members that proposed amendments need to be filed with the clerk by noon on Friday, March 27, 2009.

The committee is adjourned until clause-by-clause on Wednesday, April 1.

The committee adjourned at 1616.

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Orazietti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Orazietti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Mr. Gilles Bisson (Timmins–James Bay / Timmins–Baie James ND)

Mr. Frank Klees (Newmarket–Aurora PC)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. Avrum Fenson, research officer,
Research and Information Services

CONTENTS

Monday 23 March 2009

Countering Distracted Driving and Promoting Green Transportation Act, 2009, Bill 118, <i>Mr. Bradley / Loi de 2009 visant à combattre la conduite inattentive et à promouvoir</i> les transports écologiques, projet de loi 118, M. Bradley	G-335
Road Safety Act, 2009, Bill 126, Mr. Bradley / Loi de 2009 sur la sécurité routière, projet de loi 126, M. Bradley	G-335
Ministry of Transportation Hon. James J. Bradley	G-335
Mr. Vince d'Eon	G-338
Ms. Jan Perry	G-341
Trentway-Wagar Inc. Mr. Jim Devlin	G-343
Ontario Motor Coach Association	G-346
Mr. Brian Crow	
Municipal Law Enforcement Officers' Association	G-349
Mr. Jon Popple	
Mr. Stephen Skyvington	
Ontario Safety League.....	G-351
Mr. Brian Patterson	
Electro-Federation Canada	G-353
Mr. Milos Jancik	
Ms. Christa Groisboeck	

CA20N
X016
-623



G-19

G-19

ISSN 1180-5218

Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Wednesday 1 April 2009

Journal des débats (Hansard)

Mercredi 1^{er} avril 2009

Standing Committee on General Government

Road Safety Act, 2009

Countering Distracted Driving
and Promoting Green
Transportation Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 sur la sécurité routière

Loi de 2009 visant à combattre
la conduite inattentive
et à promouvoir
les transports écologiques

Chair: David Orazietti
Clerk: Trevor Day

Président : David Orazietti
Greffier : Trevor Day

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

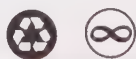
Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Wednesday 1 April 2009

Mercredi 1^{er} avril 2009*The committee met at 1608 in room 151.*

ROAD SAFETY ACT, 2009

LOI DE 2009 SUR LA SÉCURITÉ ROUTIÈRE

Consideration of Bill 126, An Act to amend the Highway Traffic Act and to make consequential amendments to two amending acts / Projet de loi 126, Loi modifiant le Code de la route et apportant des modifications corrélatives à deux lois modificatives.

The Chair (Mr. David Oraziotti): I call the committee meeting to order. We have two bills to be reviewed for clause-by-clause, and by agreement of the committee, we're going to be doing Bill 126 first.

Looking at section 1, the NDP has the first motion, NDP motion 0.1. Mr. Bisson.

Mr. Gilles Bisson: I move that the definition of "bicycle" in subsection 1(1) of the Highway Traffic Act, as set out in subsection 1(2) of the bill, be struck out and the following substituted:

"'bicycle' includes a tricycle and a unicycle but does not include a power-assisted bicycle or a motor-assisted bicycle; ('bicyclette')."

I think everybody was here; we heard the argument. I'm not going to go through the long debate. We heard the presentations made as to why that exclusion is necessary, and I'm asking the government for any comments they would have at this point.

The Chair (Mr. David Oraziotti): Further debate? Ms. Jeffrey.

Mrs. Linda Jeffrey: We heard from a lot of groups about e-bicycles and they spoke passionately about them. Clearly we're supporters of green initiatives; that's why we began the three-year pilot back in 2006. For these reasons, we won't be supporting the motion as written as it would exclude "power-assisted bicycle" from the bicycle definition. Eight other provinces, Transport Canada and the best practices review of e-bikes from the Canadian Council of Motor Transport Administrators all recognize e-bikes as bicycles. Their maximum speed of 32 kilometres is roughly the same speed as what a good cyclist can achieve. For the most part, feedback on our three-year pilot program has been positive. At committee hearings, when we asked our stakeholders for comments, there was agreement that 16 is the right age to allow e-bike use and that operators must wear a helmet.

We recognize that e-bikes must be treated differently than bicycles in some instances. The bill itself addresses

light, lamp and breaking requirements for e-bikes. The breaking requirements for an e-bike would be similar to those of a motor-assisted bicycle or moped. We want to keep the wording as proposed in the original bill: "'bicycle' includes a tricycle, a unicycle and a power-assisted bicycle but does not include a motor-assisted bicycle."

The Chair (Mr. David Oraziotti): Further debate?

Mr. Gilles Bisson: I'd be interested to see what my friend Mr. O'Toole has to say.

Interruption.

Mr. Gilles Bisson: Ooh, I thought I turned that off; sorry.

The Chair (Mr. David Oraziotti): Mr. O'Toole?

Mr. John O'Toole: Thank you, Chair. First of all, I want to explain: Mr. Klees sends his regrets, and more importantly for you in some respects, I send my regrets because I'm here instead of him.

On this thing, the low-speed vehicles, I have to be brought up to speed. Again, I'm just being introduced to this. I did pay attention to it in the House. Low-speed or slow-speed vehicles, are they included in this in any way? In a broader sense; I know we're talking about bicycles here.

Mrs. Linda Jeffrey: No.

Mr. John O'Toole: They're not? That's a big issue in terms of electric vehicles and alternative, but they're not. There are outside regulations dealing with that?

Mrs. Linda Jeffrey: Yes.

Mr. John O'Toole: Good, that's fine. So I take it on the advice of the parliamentary assistant there that bicycles, by definition, are included?

Mrs. Linda Jeffrey: Yes.

Mr. John O'Toole: So I support the government's position on this thing because they are working on these low-speed vehicles. I think that's what it's called.

Mr. Gilles Bisson: I want to indicate that I'm clairvoyant and I think I'm going to lose this amendment.

The Chair (Mr. David Oraziotti): Any further debate? Seeing none, all in favour of the amendment?

Mr. Gilles Bisson: Recorded vote, please.

Ayes

Bisson.

Nays

Brownell, Jeffrey, Kular, Mauro, Mitchell.

The Chair (Mr. David Orazietti): The amendment is lost.

NDP motion 0.2. Mr. Bisson.

Mr. Gilles Bisson: Well, the second one's kind of redundant, right? It's following in the same light as the first one, so I'll withdraw it.

The Chair (Mr. David Orazietti): Okay. Withdrawn. Shall section 1 carry? All in favour—

Mr. Gilles Bisson: Recorded vote. On that section, I had an amendment.

Ayes

Brownell, Jeffrey, Kular, Mauro, Mitchell, O'Toole.

Nays

Bisson.

Mr. Gilles Bisson: Thank you.

The Chair (Mr. David Orazietti): Sections 2 to 6, no amendments. Can we vote on those together? All in favour? Carried. Thank you.

Section 6.1: Amendment 0.3. Mr. O'Toole.

Mr. John O'Toole: I move that the bill be amended by adding the following section:

"6.1 Subsection 32(11.1) of the act is amended by striking out 'by the regulations' at the end and substituting 'by this act or the regulations'."

The Chair (Mr. David Orazietti): Further debate?

Mrs. Linda Jeffrey: We'll be supporting this motion. The section of the Highway Traffic Act to which this motion is related holds vehicle owners accountable to ensure that novice drivers do not break the conditions or restrictions of their novice driver's licence. The motion expands the wording to include "act or the regulations." The zero-BAC offence proposed in this bill as a condition on a novice or young driver's licence is set out in the legislation with penalties to be included in the regulation. Nevertheless, this amendment may be useful if the government wishes in future to create any other conditions or restrictions in legislation by placing an onus on vehicle owners to ensure that they do not allow their vehicles to be used by novice drivers who aren't complying with the conditions of their licence.

Mr. John O'Toole: So you're supporting it?

The Chair (Mr. David Orazietti): Further comment? Mr. Bisson.

Mr. Gilles Bisson: I'm just curious: If that's the argument from the government—which I'm supportive of—why didn't you put it in the act in the first place?

Mrs. Linda Jeffrey: I wasn't there. I have no idea.

The Chair (Mr. David Orazietti): Seeing no more debate, shall section 6.1 carry? All in favour? Carried. Thank you.

Sections 7, 8 and 9—no amendments, so we'll be voting on sections 7, 8 and 9 as presented. All in favour? Carried.

Section 10, a government motion. Ms. Jeffrey?

Mrs. Linda Jeffrey: Mr. Mauro's going to read it.

Mr. Bill Mauro: I move that subsection 41.4(23) of the Highway Traffic Act, as set out in section 10 of the bill, be amended by adding the following clauses:

"(c) exempting commercial motor vehicles, or any class or type of commercial motor vehicles, or drivers, owners or operators of commercial motor vehicles or any class of them, from any provision or requirement of this section or of any regulation made under this section, prescribing a different scheme of consequences and requirements from those set out in this section if a police officer is satisfied that a person was driving a commercial motor vehicle, or a specified class or type of commercial motor vehicle, as described in subsection (1), including prescribing different penalties, and prescribing conditions and circumstances for any such exemption or for a different scheme to apply;

"(d) designating provisions of legislation enacted by another province, a territory of Canada or a state of the United States of America that are comparable to the provisions referred to in subsection (1) and providing that this section applies to a person who is driving a motor vehicle in contravention of a condition or requirement imposed under such provisions."

The Chair (Mr. David Orazietti): Further debate?

Mrs. Linda Jeffrey: The original bill called for an immediate seven-day vehicle impoundment of both personal and commercial vehicles for all drivers who are caught driving without an ignition interlock, if the use of such a device is a condition of their being allowed to drive. This motion responds to the concerns raised at public hearings that the impoundment of a commercial motor vehicle for a driver-related issue of which the company may not have prior knowledge would negatively and unfairly affect the transportation industry and its clients.

With this amendment, the ministry has the flexibility to establish, through regulation, an alternative to the immediate impoundment of a commercial vehicle. We are considering, for example, a program that would allow another driver to complete the trip and return the vehicle to the owner's facility, where it would then serve out its seven-day impoundment period. This would also still hold commercial motor vehicle owners and operators accountable for their drivers while reducing concerns with the impoundment, logistics, and any interruption in the flow of goods and passengers in Ontario.

The concerns regarding the logistics of impounding a commercial vehicle at roadside were raised by both the police and commercial vehicle owners and operators. Problems arise, for instance, when the vehicle is carrying certain loads, such as livestock or dangerous goods, where delays in the trip and the requirement to remove the cargo from the truck at the roadside poses serious challenges.

Clause (d) allows the ministry to consider similar rules for out-of-province drivers and operators, thereby reducing inequities for Ontario-based operators.

So we're going to continue to work with our key stakeholders on this issue as we develop the regulations.

The Chair (Mr. David Orazietti): Further comment? All in favour of the motion? Carried.

Government motion number 2, Mr. Mauro.

Mr. Bill Mauro: I move that section 41.4 of the Highway Traffic Act, as set out in section 10 of the bill, be amended by adding the following subsection:

“Contravention of different scheme

“(23.1) Every person who contravenes or fails to comply with a regulation made under clause (23)(c) that prescribes a different scheme of consequences and requirements from those set out in this section is guilty of an offence and on conviction is liable to a fine of not less than \$400 and not more than \$20,000.”

The Chair (Mr. David Orazietti): Ms. Jeffrey?

Mrs. Linda Jeffrey: The original bill did not consider alternative programs or consequences to immediate roadside commercial vehicle impoundment. This motion creates a significant penalty to hold commercial vehicle drivers accountable if they do not comply with the alternatives, as mentioned in the last motion.

The Chair (Mr. David Orazietti): Further debate? Mr. O'Toole.

Mr. John O'Toole: In a general sense—and thank you for that explanation—this may not apply. But I, not being familiar with the details and the sequence of the bill, just want to put this on the record on behalf of Mr. Klees. With your indulgence, I'll read it as a motion and you can deal with it as same. It may not apply, specifically—

The Chair (Mr. David Orazietti): You can provide additional comment, but there's already a motion on the floor.

Mr. John O'Toole: Okay. There's a motion on the floor, so I'll comment.

The Chair (Mr. David Orazietti): That's fine. If you want to add comment on this motion, that's fine.

Mr. John O'Toole: Yes, well, I'm commenting on this motion that I support that.

What would be the appropriate time, through you, Chair, to raise this other issue? I'm not sure in what section mandatory insurance comes up in the bill. That's the issue. I think Mr. Klees raised it during the—is there a section there, do you know?

1620

The Chair (Mr. David Orazietti): Mr. O'Toole, the clerk's advised me that perhaps once we're done dealing with this motion, before we vote on section 10, you could introduce this, and if this is an amendment to this particular section, we could vote on a proposed motion.

Mr. John O'Toole: Excellent. Very good. Thank you.

The Chair (Mr. David Orazietti): Further debate on government motion 2? Seeing none, all in favour? Carried.

Mr. O'Toole.

Mr. John O'Toole: Mr. Klees, who was the critic on this, raised in the House issues with respect to a family he was working with. The widow's husband was killed by an uninsured driver. That's the background, in a general sense. It reads as follows:

“That, in the opinion of this House, the government of Ontario should introduce legislation to implement an automated insurance verification system that shall be designed with the goal of identifying motor vehicles that are being operated on Ontario roads without the required insurance coverage and shall provide accurate and current access to motor vehicle insurance coverage information for persons and agencies charged with the enforcement of motor vehicle insurance requirements, such that police officers can determine the validity of the insurance of a vehicle, and that licence-issuing offices can have the ability to confirm in real time, that insurance coverage is valid; and that the Highway Traffic Act be amended to provide for the impoundment of the vehicle being driven by an uninsured motorist.”

That was filed on November 26, 2008.

The Chair (Mr. David Orazietti): Mr. O'Toole, I have information from the clerk here that this is a proposed amendment from your caucus, 15.2, so it looks like it will be discussed at some point.

Mr. John O'Toole: Very good. I just didn't want to miss the section. It sounded like we were into that.

The Chair (Mr. David Orazietti): Fair enough.

Mr. John O'Toole: The motion is 15.2?

The Chair (Mr. David Orazietti): Correct. So are you going to withdraw the motion?

Mr. John O'Toole: Yes. That's appreciated.

The Chair (Mr. David Orazietti): So we'll vote on section 10, as amended. All in favour? Carried.

Sections 11, 12 and 13, as presented—there are no amendments there. Can we vote on those as a group? All in favour? Carried.

Section 14, government amendment number 3. Mr. Mauro?

Mr. Bill Mauro: I move that subsection 48(6.1) of the Highway Traffic Act, as set out in subsection 14(7) of the bill, be struck out and the following substituted:

“Screening device, instrument used for second analysis

“(6.1) The second analysis must be performed with a different approved screening device than was used in the analysis under subsection (2) or, if the police officer thinks it is preferable, with an instrument approved as suitable for the purpose of section 254 of the Criminal Code (Canada).”

The Chair (Mr. David Orazietti): Mrs. Jeffrey?

Mrs. Linda Jeffrey: As members may recall, the Legislature passed a previous road safety bill, Bill 203, the Safer Roads for a Safer Ontario Act, in June 2007. In that bill, there was a new program of escalating administrative sanctions of three, seven and 30 days for drivers who register a blood alcohol concentration of between 0.05 and 0.08. These sanctions will come into effect on May 1, 2009.

There are a number of provisions in Bill 126 that apply before the escalating sanctions program takes effect, to be repealed and replaced with other provisions that will come into effect after the program starts. Bill 126, as introduced, permits a second breath test to be per-

formed on another roadside screening device or on a breathalyzer machine. This provides the police with the flexibility they need to enforce the new warn range sanctions in a way that's both practical and fair to drivers. This motion applies to all drivers and clarifies by adding the words, "if the police officer thinks it is preferable." That is, the police officer determines whether the second breath test, if requested by the driver, is to be conducted on another roadside screening device or back at the police station on a breathalyzer machine. It will apply to that section of Bill 126 that will only be in place until the new escalating sanction program comes into effect.

The Chair (Mr. David Oraziotti): Further debate?

Mr. John O'Toole: That's actually an interesting section. I believe research people provided us with a note which I was given on the 27th. Is this the case for the second test? Does this come into this section here? If it's an administrative suspension—under the previous Bill 203 there's an escalation, which means they have to record the offence. Even though it's not a criminal offence, they have to record it; is that right? So that they know this is the second time or the third time.

Mrs. Linda Jeffrey: Can I ask the staff to come up and answer the question? It would probably be easier.

Mr. John O'Toole: These are administrative suspensions?

Ms. Barbara Maher: Yes.

The Chair (Mr. David Oraziotti): If you want to just state your name for the purposes of Hansard, you can answer the member's question.

Ms. Barbara Maher: It's Barbara Maher, and I'm the acting director of the safety policy and education branch.

Mr. John O'Toole: The question is, is the administrative suspension registered on the driving record?

Ms. Barbara Maher: Yes, it will be.

Mr. John O'Toole: That's new?

Ms. Barbara Maher: As of May 1.

Mr. John O'Toole: Okay, and this provision will allow the deemed offender to request a second test?

Ms. Barbara Maher: That provision has actually always been there in the act.

Mr. John O'Toole: They expect it will be increased now that it's—

Ms. Barbara Maher: The escalating sanctions will—

Mr. John O'Toole: Prior to that, they weren't recorded on the driving record, were they?

Ms. Barbara Maher: They were not. It was a 12-hour suspension administered by the police officer.

Mr. John O'Toole: Will the insurance companies have access to this, that you've had an administrative suspension?

Ms. Barbara Maher: Yes, they will.

Mr. John O'Toole: So that's new and that could change your insurance?

Mr. Gilles Bisson: I'm not sure that's new.

Mr. John O'Toole: I don't think it's recorded. You could get a suspension but it wasn't on your driving record.

Ms. Barbara Maher: That's right. It didn't appear on your driving record, so—

Mr. John O'Toole: It's probably the right thing to do because we think zero tolerance is the way to go, basically. So I appreciate that.

Mr. Gilles Bisson: Just one second.

The Chair (Mr. David Oraziotti): Mr. Bisson?

Mr. Gilles Bisson: I thought administrative suspension was accessible as far as information by the insurance companies.

Ms. Barbara Maher: Some of the administrative suspensions are. The 12 hours for blowing in the warn range was not on your driver record, so there was no way for them to know. The 90-day administrative driver licence suspension, if you blow over the Criminal Code 0.08 limit, is on your driver record.

The Chair (Mr. David Oraziotti): Further debate on government amendment number 3. All in favour? Carried.

Government amendment, same section, 14, number 4.

Mr. Bill Mauro: I move that subsection 48(6.1) of the Highway Traffic Act, as set out in subsection 14(8) of the bill, be struck out and the following substituted:

"Screening device, instrument used for second analysis

"(6.1) The second analysis must be performed with a different approved screening device than was used in the analysis under subsection (2) or, if the police officer thinks it is preferable, with an instrument approved as suitable for the purpose of section 254 of the Criminal Code (Canada)."

Mrs. Linda Jeffrey: This motion makes the same changes to the bill as the previous motion but will only apply after the new warn range sanctions under Bill 203 come into effect on May 1, 2009.

The Chair (Mr. David Oraziotti): Any questions or comments?

Mr. John O'Toole: Again, I'm probably delaying—are there any grounds for disputing the technical reliability of some of these tests? Is this what this is about, the second test? It implies to me that there must be some question of the reliability, therefore a second test. Is that—

Mrs. Linda Jeffrey: Can I answer the question?

The Chair (Mr. David Oraziotti): Go ahead, Mrs. Jeffrey.

Mrs. Linda Jeffrey: I believe it would have to do with the escalating fines and consequences.

Mr. John O'Toole: It's not questioning the reliability of these tests?

Mrs. Linda Jeffrey: No.

Mr. John O'Toole: Okay, thanks.

The Chair (Mr. David Oraziotti): No further debate on government amendment number 4? All in favour? Carried.

Shall section 14, as amended, carry? All those in favour? Carried.

Section 15, government amendment number 5.

Mr. Bill Mauro: I move that section 15 of the bill be amended by adding the following subsection:

“(3.1) Section 48.1 of the act is amended by adding the following subsection:

“Same

“(5.1.1) A suspension under clause (5.1)(b) is deemed to be a suspension under section 48.”

Mrs. Linda Jeffrey: This motion eliminates any possible confusion about the length of the immediate suspension assessed against a novice driver who registers a blood alcohol concentration in the warn range of 0.05 to 0.08. It makes it clear that a novice driver who was suspended for registering a blood alcohol concentration in the warn range is suspended under section 48 and is therefore subject to the new escalating sanctions of three, seven and 30 days, the same as any other driver.

1630

The Chair (Mr. David Oraziotti): Any further debate? Seeing none, government motion number 5: All in favour? Carried.

Government motion 6, Mr. Mauro.

Mr. Bill Mauro: I move that subsection 48.1(6.1) of the Highway Traffic Act, as set out in subsection 15(5) of the bill, be struck out and the following substituted:

“Screening device, instrument used for second analysis

“(6.1) The second analysis must be performed with a different approved screening device than was used in the analysis under subsection (3) or (4), as the case may be, or, if the police officer thinks it is preferable, with an instrument approved as suitable for the purpose of section 254 of the Criminal Code (Canada).”

The Chair (Mr. David Oraziotti): Ms. Jeffrey.

Mrs. Linda Jeffrey: This motion makes the same change that allows the police to decide whether to use a second roadside screening device or a breathalyzer machine for a driver who registers in the warn range, but applies specifically to novice drivers. It amends a section of Bill 126 that would only be in effect until the new escalating sections for the warn range come into effect on May 1, 2009.

The Chair (Mr. David Oraziotti): Question or comment? Mr. O'Toole.

Mr. John O'Toole: Can the offender be required or request to go to the nearest station for a land test, or whatever, as opposed to a portable one? Because a lot of times, they want to delay. If there's a margin of difference here, can they request a land-based as opposed to a portable device test?

Mrs. Linda Jeffrey: They can today. This is going to give the discretion to the police officer.

The Chair (Mr. David Oraziotti): Further debate? Seeing none, government motion 6, the amendment: All those in favour? Carried.

Government motion 7, Mr. Mauro.

Mr. Bill Mauro: I move that subsection 48.1(6.1) of the Highway Traffic Act, as set out in subsection 15(6) of the bill, be struck out and the following substituted:

“Screening device, instrument used for second analysis

“(6.1) The second analysis must be performed with a different approved screening device than was used in the analysis under subsection (3) or (4), as the case may be, or, if the police officer thinks it is preferable, with an instrument approved as suitable for the purpose of section 254 of the Criminal Code (Canada).”

The Chair (Mr. David Oraziotti): Ms. Jeffrey?

Mrs. Linda Jeffrey: This motion makes the same changes to the provisions of Bill 126 that relate to novice drivers who register in the warn range as the one I just moved. This section of the bill replaces the previous section when the new warn range sanctions under Bill 203 come into effect.

The Chair (Mr. David Oraziotti): Mr. O'Toole.

Mr. John O'Toole: Yes. With novice drivers, my understanding—I mean, I'm learning as I go here; there's no sense in just being seated in a chair. Novice drivers have zero—they can't have point anything. Isn't that right? Anyone in the G-series—that's good. And that covers this. So they don't have the graduated scale, they have, “You're out.”

The Chair (Mr. David Oraziotti): Ms. Jeffrey, do you want to comment on that so Hansard can—

Mr. John O'Toole: You know, that means a novice can have zero alcohol, period.

Mrs. Linda Jeffrey: Mr. O'Toole, you're right.

Mr. John O'Toole: Okay, thanks.

The Chair (Mr. David Oraziotti): Thank you. Further debate? Seeing none, all those in favour of government motion 7? Carried.

Shall section 15, as amended, carry? All those in favour? Carried.

Section 16, government amendment 8, Mr. Mauro.

Mr. Bill Mauro: I move that subsection 48.2(3.1) of the Highway Traffic Act, as set out in subsection 16(1) of the bill, be struck out and the following substituted:

“Screening device, instrument used for second analysis

“(3.1) The second analysis must be performed with a different approved screening device than was used in the analysis under subsection (2) or, if the police officer thinks it is preferable, with an instrument approved as suitable for the purpose of section 254 of the Criminal Code (Canada).”

The Chair (Mr. David Oraziotti): Ms. Jeffrey.

Mrs. Linda Jeffrey: This motion makes the same change to the second test provisions being at the discretion of the police, but to the section of the bill that applies to fully licensed drivers acting as accompanying drivers for novices. Again, this change is to the section that would be in effect until the new warn range sanctions begin on May 1, 2009.

The Chair (Mr. David Oraziotti): Further comment? Seeing none, shall the amendment, government number 8, carry? All those in favour? Carried.

Government amendment 9, Mr. Mauro.

Mr. Bill Mauro: I move that subsection 48.2(3.1) of the Highway Traffic Act, as set out in subsection 16(2) of the bill, be struck out and the following substituted:

“Screening device, instrument used for second analysis

“(3.1) The second analysis must be performed with a different approved screening device than was used in the analysis under subsection (2) or, if the police officer thinks it is preferable, with an instrument approved as suitable for the purpose of section 254 of the Criminal Code (Canada).”

The Chair (Mr. David Oraziotti): Further debate or comment?

Mrs. Linda Jeffrey: This motion makes the same change as the previous one in relation to fully licensed drivers acting as accompanying drivers who blow in the warn range and request a second test. This section of the bill replaces the previous section with the new warn range sanctions until Bill 203 comes into effect.

The Chair (Mr. David Oraziotti): Further comment?

Seeing none, government amendment number 9, all those in favour? Carried.

Shall section 16, as amended, carry? All those in favour? Carried.

Section 17, government amendment number 10.

Mr. Bill Mauro: I move that subsection 48.2.1(8) of the Highway Traffic Act, as set out in section 17 of the bill, be struck out and the following substituted:

“Screening device, instrument used for second analysis

“(8) The second analysis must be performed with a different approved screening device than was used in the analysis under subsection (3), (4) or (5), as the case may be, or, if the police officer thinks it is preferable, with an instrument approved as suitable for the purpose of section 254 of the Criminal Code (Canada).”

Mrs. Linda Jeffrey: This motion makes the same change to the second-test provisions as they apply to drivers under the age of 22, whether fully licensed or novices. It amends a section that will only be in effect until the warn range sanctions begin on May 1.

The Chair (Mr. David Oraziotti): Thank you. Comment?

Seeing none, government amendment number 10, all in favour? Carried.

Mr. Mauro, government amendment number 11.

Mr. Bill Mauro: I move that section 48.2.1 of the Highway Traffic Act, as set out in section 17 of the bill, be amended by adding the following subsection:

“Same

“(11.1) A suspension under clause (11)(b) is deemed to be a suspension under section 48.”

Mrs. Linda Jeffrey: This motion makes the same change as the previous motion, but to the section pertaining to drivers under the age of 22 that will be in effect after the warn range program begins on May 1, 2009.

The Chair (Mr. David Oraziotti): Questions or comments?

Government amendment number 11—all those in favour? Carried.

Shall section 17, as amended, carry? All those in favour? Carried.

Section 18, and government amendment number 12.

Mr. Bill Mauro: I move that paragraph 2 of subsection 48.3(3) of the Highway Traffic Act, as set out in subsection 18(1) of the bill, be struck out and the following substituted:

“2. The person failed or refused, in response to a demand made under section 254 of the Criminal Code (Canada),

“i. to provide a sample of breath, blood, oral fluid or urine,

“ii. to perform physical coordination tests, or

“iii. to submit to an evaluation.”

Mrs. Linda Jeffrey: The federal government has amended the Criminal Code of Canada to treat drug-impaired drivers in a similar way to alcohol-impaired drivers. Through this motion, the province is proposing to do the same.

Currently, a 90-day pretrial administrative driver's licence suspension under the Highway Traffic Act is issued if a driver fails or refuses to provide a breath or blood sample to be tested for alcohol impairment. With the expansion of section 254 of the Criminal Code, failure or refusal to provide bodily fluid samples, or to perform physical coordination tests, or to submit to any other requested evaluation, also constitutes an offence under the section and should result in the same 90-day, pretrial administrative driver's licence suspension. This means that the Highway Traffic Act consequences of a failure or refusal will be the same for the driver, regardless of whether the refusal or failure was related to alcohol or drug impairment.

The Chair (Mr. David Oraziotti): Questions or comments?

Mr. John O'Toole: Yes, this one here, again—the unfortunate part of this is that I wasn't here for all the debate as you went through the public hearings.

Do you know if there are any charter provisions or considerations in this part, accommodation, the duty to accommodate—and all these kinds of things—persons with special needs? There's a lot going on here, like all these bodily fluid things and that. I think that would be challenged somewhere by somebody.

Mrs. Linda Jeffrey: May I ask the staff?

The Chair (Mr. David Oraziotti): Perhaps staff might want to comment on this, Ms. Jeffrey.

Mr. John O'Toole: Not by me, certainly.

The Chair (Mr. David Oraziotti): Would you like to come forward again, please? State your name, and you can answer the question.

Ms. Barbara Maher: It's Barbara Maher.

These requirements were placed in the Criminal Code. We are merely changing the Highway Traffic Act so that the administrative sanctions that apply if a person is to violate the Criminal Code would also apply in that case.

The police do have discretion on the type of test that they conduct, but there is an evaluation called a drug recognition expert evaluation that has been sponsored by the federal government. I believe they are fully compliant with the code.

1640

Mr. John O'Toole: I would just like to be on the record here as, first of all, supporting all efforts, in a reasonable and legal manner, to intervene into human behaviour; once the police stop you—Mr. Dziekanski's trial in BC is quite a telling trial. He's now being challenged as being previously alcoholic or something. Do you understand? When they get you, you're getting a ticket.

There's a lot of liberty or presumed authority here that I personally am uncomfortable with. If they pull you over at the side of the road and you give them some sort of negative feedback like, "What the hell's going on," you'll be getting the urine bottle and maybe other bodily fluid—do you understand?

I need to have some framework of who's qualified to take what tests under what conditions. I'm not happy with the right to stop me because they don't like the colour of my hair or whatever. Do you understand? I think there's a lot of discretion left to—and if I want to challenge it as a poor little citizen, I'd better have about \$50,000 in the bank to challenge this thing.

I'm not happy with this section at all, and I need it to be registered. Most police officers, certainly most RCMP, are beyond reproach in all respects. It just takes one, though. And that happened to Dziekanski, the Polish guy. They took him down in the airport, and he's no longer with us. And they're supposed to be trained in all this stuff. Good luck.

Thank you for your advice.

Ms. Barbara Maher: There is an appeal provision based on that—

Mr. John O'Toole: Yes, get the lawyer. Get your \$50,000 account in order, or line of credit.

The Chair (Mr. David Oraziotti): Thank you, Mr. O'Toole.

Further comments?

Mr. Gilles Bisson: I was going to say there's no training requirement for MPPs, but that's a whole other story.

Mr. John O'Toole: I'd like a recorded vote on this one.

The Chair (Mr. David Oraziotti): Government amendment 12.

Ayes

Bisson, Brownell, Jeffrey, Kular, Mauro, Mitchell.

Nays

O'Toole.

The Chair (Mr. David Oraziotti): The amendment is carried.

Shall section 18, as amended, carry? Carried.

Section 19, NDP motion 12.1. Mr. Bisson.

Mr. Gilles Bisson: I move that subsection 48.4(1) of the Highway Traffic Act, as set out in section 19 of the bill, be struck out and the following substituted:

"Administrative vehicle impoundment for blood alcohol concentration above .08, failing or refusing to provide breath sample

"(1) Where a police officer is satisfied that a person driving or having the care, charge or control of a motor vehicle meets one of the criteria set out in subsection 48.3(3), the officer shall detain the motor vehicle that was being driven by the person and the vehicle shall, at the cost and risk of its owner, be removed to an impound facility as directed by a police officer and impounded as follows:

"1. For 30 days, if there has not been any previous impoundment under this section, within a prescribed period, with respect to any motor vehicle then owned by the owner of the vehicle currently being impounded.

"2. For 60 days, if there has been one previous impoundment under this section, within a prescribed period, with respect to any motor vehicle then owned by the owner of the vehicle currently being impounded.

"3. For 90 days, if there have been two or more previous impoundments under this section, within a prescribed period, with respect to any motor vehicle then owned by the owner of the vehicle currently being impounded."

The Chair (Mr. David Oraziotti): Further comment?

Mr. Gilles Bisson: I'd like to see what the parliamentary assistant has to say.

The Chair (Mr. David Oraziotti): Mrs. Jeffrey?

Mrs. Linda Jeffrey: We cannot support this motion. The original bill called for an immediate seven-day impoundment of both the personal and commercial vehicles for all drivers found with a blood alcohol concentration above 0.08 failing or refusing to provide a breath sample. The seven-day impoundment proposed in this bill has a successful precedent in the street-racing impoundments that are already in place and have resulted in a 30% decrease in speed-related collisions on highways patrolled by the OPP.

Without an appeal process, there is a high risk of a successful charter challenge, given the proposed length of the impoundments under this motion. This motion would heighten the concerns raised by the transportation industry at public hearings that the impoundment of a commercial motor vehicle for the actions of a driver would negatively or unfairly affect the transportation industry and its clients.

This amendment would also place a disproportionate responsibility on the vehicle owner for the actions of the driver. For driving, under the Criminal Code prohibition, we already have tough penalties, including the highest maximum fines in Canada for this offence—\$50,000, 10 times higher than any other province; some of the longest vehicle impoundment periods in Canada—45 days for the first offence and up to 180 days for repeat offenders; and lastly, an additional licence suspension of up to six

months. The proposed escalating sanctions would have significant impacts on government resources and would require an appeal process to be put in place that is contrary to a program of roadside sanctions administered by the police.

The Chair (Mr. David Orazietti): Further debate?

Mr. John O'Toole: Yes, on this one here, is this applied to commercial vehicles or to all vehicles involved with the blood alcohol—

Mr. Gilles Bisson: It would be all.

Mr. John O'Toole: Okay, all. You're referring to commercial vehicles; I understand that part. You need to have a truck driver; he doesn't own the vehicle and it's the trucking company that pays the price. If you're going to implement a 90-day suspension, it takes the company—is that the point you're making?

Mrs. Linda Jeffrey: It would have an impact on commercial vehicles.

Mr. John O'Toole: Oh, for sure. How about in the event that it's one of my relatives driving my car? It's not their car and they're impounding my car.

Mrs. Linda Jeffrey: I can only respond to the motion that's on the floor and that's the response to this motion.

Mr. John O'Toole: Yeah, but this one here—his motion does not mention the commercial. This applies to all.

Mrs. Linda Jeffrey: So it does.

Mr. John O'Toole: Your answer is about commercial vehicles. I understand that part. It's only seven days. This one applies to all. His amendment is actually saying all vehicles, unless there's something specific in section 19. He's saying all vehicles, but you don't agree with it. That's fine.

The Chair (Mr. David Orazietti): Mr. Bisson, do you want to comment?

Mr. Gilles Bisson: Just to make the argument that the idea is to try to make the owners of the vehicles responsible for who's driving. That's what the point is, because we've seen, far too often, unfortunately, people taking vehicles and not taking care of who it is that's going to be taking that vehicle. So that's sort of the intent of that, based on some of the testimony that we got at public hearings. Unintentionally, I guess, it does capture the commercial vehicles, and that was not the intent of the amendment. I'm prepared to move an amendment to the amendment if you would support the original amendment.

Mrs. Linda Jeffrey: I believe we have a motion later on that captures what you would want, so we'll be on the same page and we'll achieve what we want to do.

Mr. Gilles Bisson: Well, to show you how magnanimous I am, I will just allow the vote to happen on this.

Mr. John O'Toole: That's actually very good, if I may, through the Chair. It really does apply to whether it's street racing or alcohol. If there's an impoundment function and it's not the driver who's being charged but the car, I wouldn't support your amendment to the 90 days. I would support seven days, because I am responsible, hopefully, if one of my children take my car and

start racing around or get drunk or something. That's the issue here, do you understand?

Mr. Gilles Bisson: I don't want to belabour this, but it's the person driving, the person doing the offence as the driver who would get charged. This is to make sure that the owner of the vehicle takes responsibility. It's a continuation of making sure that everybody does their job.

The Chair (Mr. David Orazietti): Thank you. NDP motion 12.1: All those in favour of the amendment? All those opposed? The amendment is lost.

NDP amendment 12.2.

Mr. Gilles Bisson: Is that still in order? I didn't think so. I was going to skip right over it.

The Chair (Mr. David Orazietti): Yes, the motion is no longer in order, so it's lost.

Government amendment number 13, Mr. Mauro.

Mr. Bill Mauro: I move that subsection 48.4(23) of the Highway Traffic Act, as set out in section 19 of the bill, be amended by adding the following clause:

“(c) exempting commercial motor vehicles, or any class or type of commercial motor vehicles, or drivers, owners or operators of commercial motor vehicles or any class of them, from any provision or requirement of this section or of any regulation made under this section, prescribing a different scheme of consequences and requirements from those set out in this section if a police officer is satisfied that a person driving or having the care, charge or control of a commercial motor vehicle, or a specified class or type of commercial motor vehicle, meets one of the criteria set out in subsection 48.3(3), including prescribing different penalties, and prescribing conditions and circumstances for any such exemption or for a different scheme to apply.”

1650

The Chair (Mr. David Orazietti): Ms. Jeffrey.

Mrs. Linda Jeffrey: The original bill called for an immediate seven-day vehicle impoundment, both personal and commercial vehicles, for all drivers found with a blood alcohol concentration of 0.08 and failing or refusing to provide a breath sample. This motion will address the concerns raised by the transportation industry at public hearings that the impoundment of a commercial motor vehicle for the actions of a driver would negatively and unfairly affect the transportation industry and its clients.

With this amendment, the ministry has the flexibility to establish an alternative consequence to the immediate impoundment of a commercial vehicle. One alternative could be to allow another driver to complete the trip and return the vehicle to the owner's facility, where it would then serve out its seven-day impoundment period.

This would also hold commercial motor vehicle owners and operators accountable for their drivers while reducing concerns with impoundment logistics and any interruptions to the flow in goods and passengers of Ontario.

Concerns regarding the logistics of impounding a commercial vehicle at roadside were raised by both the

police services and the commercial vehicle owners and operators in our public hearings.

The Chair (Mr. David Oraziotti): Further debate? Seeing none, all those in favour? Carried.

NDP amendment 13.1

Mr. Gilles Bisson: That would be now withdrawn.

The Chair (Mr. David Oraziotti): Thank you. You're correct in that, as I believe it's out of order.

Government amendment number 14, Mr. Mauro.

Mr. Bill Mauro: I move that section 48.4 of the Highway Traffic Act, as set out in section 19 of the bill, be amended by adding the following subsection:

"Contravention of different scheme

"(23.1) Every person who contravenes or fails to comply with a regulation made under clause (23)(c) that prescribes a different scheme of consequences and requirements from those set out in this section is guilty of an offence and on conviction is liable to a fine of not less than \$400 and not more than \$20,000."

The Chair (Mr. David Oraziotti): Ms. Jeffrey.

Mrs. Linda Jeffrey: The original bill did not consider alternative programs or consequences to commercial vehicle impoundment. However, as I mentioned earlier, government has heard the concerns of the industry, its clients and the police, and is considering regulations that would create another type of impoundment program for commercial vehicles that would not cause serious, unintended consequences.

This motion contains a significant penalty to hold commercial vehicle owners accountable if they do not comply with the alternative program that is developed.

The Chair (Mr. David Oraziotti): Further debate?

Mr. John O'Toole: That's actually quite interesting. Who determines if you're entitled to a different scheme, as it's called? Who makes that determination? It wouldn't be the minister; it would be the presiding officer, who could be a weak link in the chain there. I just want that to be recorded; it's the only reason I'm saying it.

The Chair (Mr. David Oraziotti): Thank you. Further comment? Government amendment number 14: All in favour? Carried.

Shall section 19, as amended, carry? All those in favour? Carried.

A new section, 19.1: government motion 15, Mr. Mauro.

Mr. Bill Mauro: I move that the bill be amended by adding the following section:

"19.1 Subsection 50.1(2) of the act is repealed and the following substituted:

"Grounds for appeal

"(2) The only grounds on which a person may appeal a suspension under section 48.3 and the only grounds on which the tribunal may order that the suspension be set aside are,

"(a) that the person whose licence was suspended is not the same individual to whom a demand was made, or from whom a sample was taken, or who performed physical coordination tests or submitted to an evaluation,

as the case may be, under section 254 or 256 of the Criminal Code (Canada); or

"(b) that the person failed or refused to comply with a demand made under section 254 of the Criminal Code (Canada) because he or she was unable to do so for a medical reason."

The Chair (Mr. David Oraziotti): Ms. Jeffrey.

Mrs. Linda Jeffrey: This motions relates to a previous motion that would allow Ontario to deal with drug-impaired drivers in the same way that we deal with alcohol-impaired drivers. The previous motion ensures that the consequences of failing or refusing to submit to a test of impairment will be the same, regardless of whether it's related to alcohol or drug impairment. Both will result in a 90-day administrative driver's licence suspension. The motion ensures that the appeal provision for a 90-day administrative driver's licence suspension is also the same for both categories of drivers by updating the wording of the appeals section to reflect that.

The Chair (Mr. David Oraziotti): Further debate?

Mr. John O'Toole: I'll just read you the same concern, because it is the same section, on the right to refuse and the duty to accommodate. Persons with special needs are in the Legislature today, many of whom could actually drive. In fact, there are people who drive with different kinds of arrangements in their car or vehicle; they may not be able to just accommodate the roadside test. I'd be taking it to court, that section there, for sure. Good luck. Thanks.

The Chair (Mr. David Oraziotti): Further comment? Seeing none, shall section 19.1 carry? All those in favour? Carried.

Sections 20 and 21: There are no proposed amendments. Shall sections 20 and 21 carry? All those in favour? Carried.

Section 22: Amendment 15.1. Mr. O'Toole.

Mr. John O'Toole: Thank you very much, Chair. Also, again, in respect and reference to Mr. Klees and the work he's done on this, I move the following motion, which I had outlined before for the record:

I move that subsection 55.1(1) of the Highway Traffic Act, as set out in section 22 of the bill, be amended by adding "without insurance as required by the Compulsory Automobile Insurance Act or" after "a person was driving a motor vehicle on a highway."

The Chair (Mr. David Oraziotti): Further comment?

Mr. John O'Toole: The comment on that, as I described earlier, is that driver's licence issuing stations etc. would have to have a verification record that the insurance was indeed valid, not a forgery of some sort. That would be accommodated in this so that a person stopped for a violation in submitting—they would have to be able to prove that their licence was valid, and this would change that in collecting that data by the ministry, I gather.

I think they used to call it SAB, statutory accident benefits. You're entitled to a certain kind of coverage even if the person doesn't have insurance. There is a fund, I believe, in the ministry that actually covers these

kind of no-fault—I'm on a bit of thin ice here. The person is injured, perhaps catastrophically, and the person who caused the injuries has no insurance; the ministry does take care of that, I think, don't they, under statutory accident benefits?

The Chair (Mr. David Oraziotti): Would you like a response, Mr. O'Toole, for your comments? Ms. Jeffrey?

Mrs. Linda Jeffrey: Speaking to the motion, it would create a program of verification of whether a driver has a valid licence. We agree this is a valid goal, but we won't be supporting this motion. I want to tell Mr. O'Toole that we are working towards a program with our partners in the insurance industry that would give police access to this information where they need it, at the roadside, but it's a costly and complex program to put in place. We're working towards that. We hope to maybe bring something forward next year. However, as it's written, this would adversely limit vehicle impoundments under this section to only drivers who are both suspended and not insured. The Compulsory Automobile Insurance Act already has provisions that may lead to licence suspension and vehicle impoundment for uninsured drivers.

The Chair (Mr. David Oraziotti): Mr. O'Toole?

Mr. John O'Toole: I appreciate that. I'm not convinced by that ministry-prepared response that you have just read, with all due respect. When you look at a licence now and all of the encoding and encrypting they can do, don't tell me that they can't put a little "B" in there or "I" for "insurance" or whatever, some little code on your licence to take care of this so that the police would know, bingo, that this person is insured. In fact, it's my understanding that my insurance would cover anyone who was driving one of my vehicles. I don't think the insurance goes with the driver; I think it's the registered owner of the vehicle.

The Chair (Mr. David Oraziotti): Thank you, Mr. O'Toole. Ms. Jeffrey, do you have a further response?

Mrs. Linda Jeffrey: No.

The Chair (Mr. David Oraziotti): Thank you. Further debate?

Mr. John O'Toole: A recorded vote on that. Gilles, get your hand up.

Mr. Gilles Bisson: Oh, I'll help you out just once.

Ayes

Bisson, O'Toole.

Nays

Brownell, Jeffrey, Kular, Mauro, Mitchell.

The Chair (Mr. David Oraziotti): The amendment is lost.

Mr. O'Toole, your amendment 15.2. Go ahead.

1700

Mr. John O'Toole: Oh, pardon me. Yes, thank you, for your indulgence. I think it's the same thing, isn't it?

Mr. Gilles Bisson: Isn't that redundant?

Mr. John O'Toole: It's redundant, so I'd like to withdraw this motion.

The Chair (Mr. David Oraziotti): Thank you.

Shall section 22 carry? All those in favour? Carried.

Section 23: NDP motion 15.3.

Mr. Gilles Bisson: I will withdraw 15.3 and 15.4 as they're both following what I've done previously.

The Chair (Mr. David Oraziotti): Thank you.

Government motion 16.

Mr. Bill Mauro: I move that subsection 55.2(23) of the Highway Traffic Act, as set out in section 23 of the bill, be amended by adding the following clauses:

"(c) exempting commercial motor vehicles, or any class or type of commercial motor vehicles, or drivers, owners or operators of commercial motor vehicles or any class of them, from any provision or requirement of this section or of any regulation made under this section, prescribing a different scheme of consequences and requirements from those set out in this section if a police officer is satisfied that a person was driving a commercial motor vehicle, or a specified class or type of commercial motor vehicle, as described in subsection (1), including prescribing different penalties, and prescribing conditions and circumstances for any such exemption or for a different scheme to apply.

"(d) designating provisions of legislation enacted by another province, a territory of Canada or a state of the United States of America that are comparable to the provisions under which a person's driver's licence is suspended under this act and for which his or her motor vehicle may be impounded under this section and providing that this section applies to a person whose driver's licence is suspended under such provisions."

Mrs. Linda Jeffrey: This is similar to our previous motion. Essentially, it responds to the concerns raised at public hearings that the impoundment of commercial motor vehicles for a driver-related issue of which they may have no prior knowledge would negatively or unfairly affect the transportation industry and its clients.

Clause (d) allows the ministry to consider similar rules with an out-of-province driver and operator, thereby reducing inequities for Ontario-based drivers and operators.

The Chair (Mr. David Oraziotti): Further comment? Seeing none, all in favour of motion 16? Carried.

NDP motion 16.1.

Mr. Gilles Bisson: I wonder if the committee could indulge me. I would like to withdraw 16.1, 17.3, 17.4, 17.5, 17.6 and 17.7, as they're all stemming from that previous vote that we voted down. That will take them all out of the package.

The Chair (Mr. David Oraziotti): Okay. If you want to just read those one more time so the clerk can—

Mr. Gilles Bisson: It's your tabulation numbers on the top right-hand corner; 16.1, 17.3, 17.4, 17.5, 17.6 and 17.7 are withdrawn.

The Chair (Mr. David Oraziotti): So noted. Thank you.

Mr. Gilles Bisson: Good. Now Mr. Miller can take over. Thank you, Mr. Miller.

The Chair (Mr. David Oraziotti): Government motion 17.

Mr. Bill Mauro: I move that section 55.2 of the Highway Traffic Act, as set out in section 23 of the bill, be amended by adding the following subsection:

“Contravention of different scheme

“(23.1) Every person who contravenes or fails to comply with a regulation made under clause (23)(c) that prescribes a different scheme of consequences and requirements from those set out in this section is guilty of an offence and on conviction is liable to a fine of not less than \$400 and not more than \$20,000.”

Mrs. Linda Jeffrey: This is consequential. As I stated earlier, the original bill did not consider alternative programs or consequences to commercial vehicle impoundment. This motion creates a significant penalty to hold commercial vehicle owners accountable if they do not comply with the alternative program.

The Chair (Mr. David Oraziotti): Further debate? Seeing none, government motion 17: all those in favour? Carried.

Shall section 23, as amended, carry? All in favour? Carried.

Section 24 has no amendments. All those in favour of section 24? Carried.

Section 24.1—

Mr. John O'Toole: Yes, I'll read this.

The Chair (Mr. David Oraziotti): Okay. PC motion 17.1.

Mr. John O'Toole: That's right, 17.1.

I move that the bill be amended by adding the following section:

“24.1 Part IV of the act is amended by adding the following section:

“Identification of vehicle driven by novice driver

“57.1.2 It is a condition of the driver's licence of every novice driver, as defined under section 57.1, that he or she not drive a motor vehicle on a highway unless a card that identifies the driver as a novice driver and that is approved by the minister for the purpose of this section is displayed in a conspicuous place, either inside or outside the vehicle, on the rear of the vehicle.” So moved.

The Chair (Mr. David Oraziotti): Any further comment on that?

Mr. John O'Toole: I think it's similar to what they have in Great Britain and other places with the learner's permit type of thing—“l” as in “learner,” not Liberal. I'd probably have a different symbol. But yes, that's the point.

Mrs. Linda Jeffrey: We won't be supporting this—

Interjection.

Mrs. Linda Jeffrey: Listen to the reason, Mr. O'Toole. This motion would require that all novice drivers display a sign on their vehicle identifying themselves to other road users as a novice driver. I was surprised to learn that Ontario already has such a sign. It

was introduced when the graduated licensing program was introduced in 1994. The sign was made voluntary because of concerns expressed by novices and their parents that the sign might spur some aggressive drivers to undertake bullying manoeuvres that intimidate novice drivers. Demand was so low for the sign that the ministry stopped producing them.

There's currently no evidence that the use of a sign improves the safety of novice drivers. Novice drivers are unlikely to support the use of the signs and may view the mandatory sign as embarrassing or stigmatizing. We do, however, understand the concerns of parents who see the sign as a way of improving enforcement of the novice driver conditions and restrictions, and we're committed to working with those members of the community to develop approaches that will achieve that goal.

Mr. John O'Toole: So well-crafted, that response. I'm very disappointed. I would normally say that it would assist police, and also, the whole idea of this peer pressure thing with young people today. Anyway, I'd like a recorded vote.

The Chair (Mr. David Oraziotti): Mr. O'Toole has called for a recorded vote on motion 17.1 on section 24.1.

Ayes

O'Toole.

Nays

Brownell, Jeffrey, Kular, Mauro, Mitchell.

The Chair (Mr. David Oraziotti): The motion is lost.

Mr. John O'Toole: I withdraw motion 17.2. It's redundant.

The Chair (Mr. David Oraziotti): Thank you.

Section 25 through and including section 33: There are no amendments. Shall they carry as presented? All those in favour? Carried.

Section 34: The NDP amendments have been withdrawn. For section 34 through and including section 46 there are no amendments. Shall they carry as presented? All in favour? Carried.

Section 47; government amendment 18.

Mr. Bill Mauro: I move that subsection 159(3) of the Highway Traffic Act, as set out in section 47 of the bill, be amended by striking out “intermittent flashes of red light” and substituting “intermittent flashes of red light or red and blue light.”

Mrs. Linda Jeffrey: Under Bill 203, police were given the option of using either flashing red lights alone or using a combination of flashing red and blue lights. Many police services have moved to the red-blue combination because they believe it makes their vehicles more visible, especially at night or in inclement weather. Various provisions of the Highway Traffic Act were changed under Bill 203 to recognize the new combination of lights and to place the same requirements on other drivers that are attached to an emergency vehicle

displaying only flashing red lights. In this section of the act, however, there is still a reference to flashing red lights alone. This motion would change that. Some court cases involving stopped police cars with flashing red and blue lights were dismissed because of the old wording.

The Chair (Mr. David Oraziotti): Further comment?

Mr. John O'Toole: I'm just wondering if they did a complete review of these emergency identification issues. Right now, with these repatriation ceremonies for the soldiers returning from Trenton, they use purple lights in the funeral procession. Were they considered at all, or would it be appropriate? Because I think it's a respectful thing. It wouldn't be too harmful. Would you be amenable to a friendly amendment, adding purple lights?

1710

Mrs. Linda Jeffrey: I don't think they qualify as emergency vehicles, Mr. O'Toole.

Mr. John O'Toole: It's just a courtesy for our fallen troops. I don't like to embarrass you here but—

Mrs. Linda Jeffrey: No, it's not an emergency vehicle.

Mr. John O'Toole: It is true. They're on the roads weekly, which is tragic in itself. But I think, as a courtesy today, we'll leave it with the ministry to look into it. It would be the appropriate thing to do.

Mrs. Linda Jeffrey: We'll consider it.

Mr. John O'Toole: You'd have my support. Otherwise, you know—

Mrs. Linda Jeffrey: That's worth it—

Mr. John O'Toole: It's worth it.

The Chair (Mr. David Oraziotti): Further comment on government motion 18? All those in favour of the motion? Okay. Carried. Thank you.

Shall section 47, as amended, carry? All in favour? Carried.

Section 48: There are no amendments. All in favour as presented? Carried.

Section 49, government amendment 19. Mr. Mauro.

Mr. Bill Mauro: I move that section 49 of the bill be amended by adding the following subsection:

“(2) Section 172 of the act is amended by adding the following subsection:

“Same

“(22) In this section and in section 172.1,

““motor vehicle” includes a street car, a motorized snow vehicle, a farm tractor, a self-propelled implement of husbandry and a road-building machine.”

The Chair (Mr. David Oraziotti): Mrs. Jeffrey?

Mrs. Linda Jeffrey: This motion broadens the definition of “motor vehicle” under the street racing provisions of the Highway Traffic Act, sections 172 and 172.1, to include other vehicles that are capable of racing, stunting or participating in contests or of carrying nitrous oxide systems. These vehicles are currently not included in the existing sections.

The Chair (Mr. David Oraziotti): Further comment?

Seeing none, all those in favour? Carried. Thank you.

Shall section 49, as amended, carry? All those in favour? Carried.

Section 50 through and including section 56: There are no amendments. Shall they carry as presented? All those in favour? Carried.

Section 57, government amendment 20. Mr. Mauro.

Mr. Bill Mauro: I move that subsection 57(2) of the bill be amended by striking out “subsections 14(5) to (14) and 15(2) to (12), sections 16 to 24” and substituting “subsections 14(5) to (7) and (9) to (13) and 15(2) to (5) and (7) to (11), subsection 16(1), sections 17 to 24.”

The Chair (Mr. David Oraziotti): Ms. Jeffrey.

Mr. John O'Toole: I want the explanation to that.

Mrs. Linda Jeffrey: So did I. If you can't understand the motion, I'll say it to you in English. This amendment provides for a second breath test provision to the bill to come into force on royal assent. It will reduce police concerns for the second breath test, particularly having to conduct it on a breathalyzer device. With the new warn range escalating sanctions on May 1, 2009, or as soon as possible thereafter, it will allow for smoother implementation of the new program and will ensure that the rules are clear about how and when the second test is conducted.

The Chair (Mr. David Oraziotti): Further debate?

Mr. John O'Toole: They want to get this in place for the May 24 weekend. It'll help the revenue side of their books.

The Chair (Mr. David Oraziotti): Further debate?

Government motion 20: All those in favour? Okay. Carried. Thank you.

Shall section 57, as amended, carry? All those in favour? Carried.

Section 58: There are no amendments to this section. As presented, all those in favour? Carried. Thank you.

The last remaining items on this bill: Shall the title of the bill carry? All those in favour? Carried.

Shall Bill 126, as amended, carry? All those in favour? Carried.

Shall I report the bill to the House as amended? All those in favour? Carried. Thank you.

Okay. We'll take two minutes, and we're going to be switching over to Bill 118. Mrs. Jeffrey?

Mrs. Linda Jeffrey: Would it be possible just to make—I wanted to thank some of the people who contributed to this bill, if I might.

The Chair (Mr. David Oraziotti): Absolutely. Go ahead.

Mrs. Linda Jeffrey: There are a lot of individuals we'd like to thank for helping us with this: Eleanor McMahon, Jan Perry and Tim Mulcahy, who overcame personal tragedy and unimaginable grief to stand up and fight for the changes that they believe will make our roads safer for young drivers and others; Anne Leonard and the members of the Ontario Community Council on Impaired Driving were a critical partner; Andy Mune and all the volunteers at MADD Canada who seek out new and innovative ways to counter impaired driving; Ontario Students Against Impaired Driving; the Traffic Injury Research Foundation; the Driving School Association of Ontario; the Ontario Association of Chiefs of Police and

the OPP, and the municipal police officers who serve on the front lines; Brian Patterson of the Ontario Safety League; the Insurance Bureau of Canada and the Ontario Traffic Conference; the Student Life Education Company; the Motor Vehicle Crash Prevention Committee of Grey Bruce; Doug Switzer of the Ontario Trucking Association; Karen Renkema from the Ontario Road Builders' Association; the Toronto Cyclists Union; and all the members of the three parties who gave us some invaluable contributions. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much, Mrs. Jeffrey. Are we ready to start Bill 118?

COUNTERING DISTRACTED DRIVING
AND PROMOTING GREEN
TRANSPORTATION ACT, 2009
LOI DE 2009 VISANT À COMBATTRE
LA CONDUITE INATTENTIVE
ET À PROMOUVOIR
LES TRANSPORTS ÉCOLOGIQUES

Consideration of Bill 118, An Act to amend the Highway Traffic Act to prohibit the use of devices with display screens and hand-held communication and entertainment devices and to amend the Public Vehicles Act with respect to car pool vehicles / Projet de loi 118, Loi modifiant le Code de la route afin d'interdire l'usage d'appareils à écran et d'appareils portatifs de télécommunications et de divertissement et modifiant la Loi sur les véhicules de transport en commun à l'égard des véhicules de covoiturage.

The Chair (Mr. David Oraziotti): First motion, government motion number 1. Mr. Mauro.

Mr. Bill Mauro: I move that subsection 78(1) of the Highway Traffic Act, as set out in section 1 of the bill, be struck out and the following substituted:

“Display screen visible to driver prohibited

“(1) No person shall drive a motor vehicle on a highway if the display screen of a television, computer or other device is visible to the driver.”

The Chair (Mr. David Oraziotti): Mrs. Jeffrey.

Mrs. Linda Jeffrey: I was not clear if we were going to read them into the record or withdraw them in advance. So I would like to withdraw this motion.

The Chair (Mr. David Oraziotti): You can just indicate that the motion's been withdrawn and read the motion that is on the list.

Mrs. Linda Jeffrey: Okay, so you want us to read it into the record and withdraw it?

The Chair (Mr. David Oraziotti): No. You can just withdraw the motion that you're withdrawing and read into the record the motion that you're interested in supporting.

Mrs. Linda Jeffrey: Okay, so can I tell you now in this section which ones we're withdrawing?

The Chair (Mr. David Oraziotti): That's fine.

Mrs. Linda Jeffrey: 1, 2, 3, 4 and 5.

The Chair (Mr. David Oraziotti): In section 1.

Mrs. Linda Jeffrey: In section 1.

The Chair (Mr. David Oraziotti): So 1 to 5.

Mrs. Linda Jeffrey: So 1R and 2R would stay.

The Chair (Mr. David Oraziotti): Yes, 1R and 2R are still good.

Mr. John O'Toole: So 3, 4 and 5.

The Chair (Mr. David Oraziotti): Correct; 1 to 5.

Mr. Mauro, do you want to read 1R?

Mr. Bill Mauro: I will.

I move that subsection 78(1) of the Highway Traffic Act, as set out in section 1 of the bill, be struck out and the following substituted:

“Display screen visible to driver prohibited

“(1) No person shall drive a motor vehicle on a highway if the display screen of a television, computer or other device in the motor vehicle is visible to the driver.”

Mrs. Linda Jeffrey: This motion provides clarification regarding devices with display screens which can be used in a vehicle provided that the display screen isn't visible to the driver. It became clear during the public hearings and consultations with stakeholders, as well as in letters that were received by the ministry, that there was some confusion about the scope of the prohibition. This amendment, together with the list of exemptions, provides a clear and simpler statement of the law that will make it more understandable to the public and easier for us to enforce.

The Chair (Mr. David Oraziotti): Mr. O'Toole.

Mr. John O'Toole: I'm questioning this. It's a nice objective, a commendable objective. Enforcement is a major issue. Everyone has a GPS or some other kind of device, hopefully to navigate them around. This is going to get worse, not better, as the cars become multi-functional. I just want this to be on the record: I question whether this is the right way to handle it. I think it should be handled in regulation.

I put to the ministry because the technology—right now what's coming is what they call HUD, heads-up display. It's all going to be reflected on the screen on your windshield, just like a jet pilot. I think this should have been handled more efficiently and effectively in regulation, as opposed to being specific. You didn't draft the bill; I know there are lawyers here who probably did. It would be pretty tough to enforce, but if it's in regulation, you wouldn't have to go through all this baloney of coming to the Legislature to change it to come up with HUD.

Other kinds of hologram-type devices are coming. If you know anything about technology, spell “computer.” Well, five years from now the car will be self-driven, it will be a guided vehicle—

Interjection.

Mr. John O'Toole: It's the way they do it now. Jets fly from guided systems, from ground—anyway.

Mr. Bill Mauro: It's a nice attempt.

Mr. John O'Toole: I think I've made my point anyway.

The Chair (Mr. David Oraziotti): Further comment? Mr. Miller.

Mr. Paul Miller: I just have one concern. I know this has been amended to exempt global positioning navigational systems; that's fine. My only concern—and I want it to go on the record—is the fact that when you're driving the car and you're lost and you want to position yourself again, why wouldn't they have made the drivers pull over to the side and find out where they want to go, punching it up?

1720

It is very distracting when you're trying to drive a car and trying to find out where you want to go. The machine talks to you: "Turn right here; turn left there." That's good, and that's fine; it helps you get to where you want to go, and you don't get lost. I don't have a problem with that. But I really think that it will be distracting if you're trying to punch up where you're going. I personally was in a car with somebody and they were doing that, and they almost hit somebody because they were trying to play around with their navigation positional machine. I'm not quite sure that there has been a lot of thought put into that.

I just want it to go on the record that I do have some concerns about why they wouldn't allow the person to pull over if they want to do that and use that unit. You could pull over to the side, be safe, find out where you want to go and continue on. I don't understand why you're allowed to do it when you're driving. It doesn't make sense to me.

Mr. John O'Toole: David, put me on your list there.

The Chair (Mr. David Orazietti): Further debate?

Mr. John O'Toole: Yes. I guess if I was to be—I've had the privilege of working around this stuff for maybe a few years. I would only say this: Almost all of it will become voice interoperative. It is now, technically, but it will allow them to sell another five generations of the BlackBerry with keypads. But there will be no keypad within two years. It's all going to be voice-activated, interoperative.

In fact, as my colleague from the NDP was saying, the voice distraction, quite honestly—listening and saying, "Gee, turn right in 700 metres" etc., will be the next distraction.

I don't think that they've given this an appropriate amount of attention or enforceability. If you're going to be looking at some screen, it's better to have specified what is required.

On the enforcement part, if they do stop you at night and they notice some screen there in front of you, it could be the passenger who's actually using it to navigate you.

There's a whole litany of court time just waiting to be wasted because of this. It's not being properly implemented. But anyway, we will listen to all of this attentively.

The Chair (Mr. David Orazietti): Thank you. Ms. Jeffrey.

Mrs. Linda Jeffrey: I'm not really sure what we're arguing about, to be honest. I think it's pretty—

Mr. John O'Toole: I just don't think it's crafted properly.

The Chair (Mr. David Orazietti): Mr. O'Toole, just—

Mrs. Linda Jeffrey: I think we've worked really hard to work with the industry—

Mr. John O'Toole: We have a lot of work to do.

Mrs. Linda Jeffrey: —and essentially we're trying to make sure you're not looking at a TV screen or a computer screen or any other device. There are some other devices people spoke about in the hearings that would cause you to be using that by hand while you were driving. We're trying to make sure that it's a hands-free operation, should it be a GPS system, and that that would be allowed.

But if you want to pull off the road to change the direction—you're getting the wrong directions; occasionally GPS will send you down the wrong road—you would be allowed to do that. There's nothing here that would prevent that from happening.

We listened to people from the commercial trucking industry. We tried to find a reasonable balance of safety, which was our primary motive, and craft legislation that reflected that.

Mr. John O'Toole: Okay.

The Chair (Mr. David Orazietti): Mr. Miller?

Mr. Paul Miller: With all due respect, you still are touching it. It's a touch-screen; you are driving while you're touching it, and it is a screen in front of you.

No one's arguing; we're trying to get a point across that we still don't think you've gone far enough. We do not think it's safe enough.

Your comment about pulling over is good—I think that is good—if you want to find out where you're going, or, as the other member pointed out, maybe someone on the passenger side could handle it. But if you don't have a passenger—in a lot of cases, truck drivers are on their own at night, driving down those highways without passengers helping them.

I'm not quite sure this is a case of arguing. It's a case of common sense that we're trying to instill into the bill, which obviously does not reign supreme. So, whatever.

The Chair (Mr. David Orazietti): Okay, so noted. Further comment?

Mr. John O'Toole: You're doing the best you can, Linda, and we appreciate it.

Mrs. Linda Jeffrey: Thank you.

The Chair (Mr. David Orazietti): I think we've had ample debate and comment on this.

Mr. John O'Toole: Thank you for your indulgence, Chair, as well.

The Chair (Mr. David Orazietti): Amendment 1R: All those in favour? Opposed? Carried.

Government motion 2R.

Mr. Bill Mauro: I move that subsection 78(2) of the Highway Traffic Act, as set out in section 1 of the bill, be struck out and the following substituted:

"Exceptions

"(2) Subsection (1) does not apply in respect of the display screen of,

“(a) a global positioning system navigation device while being used to provide navigation information;

“(b) a hand-held wireless communication device or a device that is prescribed for the purpose of subsection 78.1(1);

“(c) a logistical transportation tracking system device used for commercial purposes to track vehicle location, driver status or the delivery of packages or other goods;

“(d) a collision avoidance system device that has no other function than to deliver a collision avoidance system; or

“(e) an instrument, gauge or system that is used to provide information to the driver regarding the status of various systems of the motor vehicle.”

Mrs. Linda Jeffrey: This motion responds to the concerns which were raised during the public hearings. These concerns were also raised in consultations with stakeholders and letters to the ministry: that GPS devices capable of performing other functions should not be excluded on that basis. Additionally, many cellphones have GPS capabilities, but no exemption for the display screen of a cellphone was provided in this legislation.

In response to these comments, this amendment would permit the use of GPS devices that have other functions. Only the first two subsections in this motion are new, and they are an expansion of the first exemption in the first subsection of Bill 118. The remaining three exemptions in this motion already existed in Bill 118.

The Chair (Mr. David Oraziotti): Further comment? Mr. Miller?

Mr. Paul Miller: Once again, I will be opposed to clause 2(a). I don't agree that that's been thought out well. The rest—(b), (c), (d), and (e)—I can live with. So in that section, I want that recorded: that I'm opposed to clause 2(a).

Mr. John O'Toole: I don't have a problem with this. I think it's appropriate that this should be the minister's privilege here, but again, it should probably have been handled in regulation as opposed to specifying in the statute itself, because it's going to change. Every three months, there'll be a new generation of gadget to come out to make life easier and more expensive, too, because now there'll be an 8% PST on it.

The Chair (Mr. David Oraziotti): Mr. Miller?

Mr. Paul Miller: Yes, one further comment. I agree with the member—

Mr. John O'Toole: Yes, it should have been handled in regulation.

Mr. Paul Miller: —that if they do come out with the technology and they come out with a device that can be voice-activated, then obviously I wouldn't oppose it. But at this point it's still touch. We still have to touch it to deal with it, so you're distracted from driving. So I can't agree with that.

The Chair (Mr. David Oraziotti): Further comment? Seeing none, motion 2R is on the floor, the government motion to amend section 1. All those in favour of the motion?

Mr. Paul Miller: Recorded vote.

The Chair (Mr. David Oraziotti): A recorded vote has been called for by Mr. Miller. All those in favour?

Mr. Paul Miller: And I'm just stating that I'm opposed to 2(a) only.

Ayes

Jeffrey, Kular, Mauro, Mitchell.

Nays

Paul Miller.

The Chair (Mr. David Oraziotti): Shall section 1, as amended, carry? All those in favour? Carried.

Section 2.

Mrs. Linda Jeffrey: Chair, could I withdraw some motions before we get started?

The Chair (Mr. David Oraziotti): Go ahead.

Mrs. Linda Jeffrey: Can I withdraw 7, 7R and 8?

The Chair (Mr. David Oraziotti): Okay, thank you. Government motion 6?

Mr. Bill Mauro: I move that subsection 78.1(3) of the Highway Traffic Act, as set out in section 2 of the bill, be struck out and the following substituted:

“Hands-free mode allowed

“(3) Despite subsections (1) and (2), a person may drive a motor vehicle on a highway while using a device described in those subsections in hands-free mode.”

Mrs. Linda Jeffrey: This motion makes a minor change to the wording of the bill to allow the definition of hands-free use to be clarified in a supporting regulation. Subsections (2) and (3) in Bill 118 seem to imply that the offence of holding or using a hand-held device includes just touching a button on such a device to activate hands-free mode. With this motion, the supporting regulation can spell out that drivers will be permitted to press a button to activate or turn off a hands-free device that would otherwise be activated without being held or touched. While many hands-free devices on the market are entirely voice-activated, there are some that require a button to be pressed to either activate or turn off the device.

The Chair (Mr. David Oraziotti): Further comment?

Mr. Paul Miller: In reference to this, it's kind of counterproductive to the last one you passed because some of these are still—you have to punch the address in, you have to punch where you're going and then you have to punch other items into the machine. To me, that's not hands-free. Now you're saying the opposite here. So once again: If it's voice-activated, no problem, but obviously it's not. So why would you not wait until the voice-activated ones are on the market before you would put this in? You're probably going to amend this again once the proper technology is brought out. So this is basically putting the cart before the horse. I don't understand; it's contradictory to your last motions that you passed. I don't know what's going on. I disagree with that.

1730

Mr. John O'Toole: If you look at 78.1, it specifically talks about devices that are transmitting telephone communication, electronic data and other text messaging, so I think the implication is the cellphone. Most of the newer generations—I've often mentioned that all of the manufacturers—Ford has a system. It's a kind of a Microsoft-based system. General Motors has one. It's not Microsoft; it's called OnStar, a commercial product. They're all going to have that kind of device, which is interoperative and hands-free. It can be turned on or off. It's very helpful and it will be helpful to people. I think that's what they're referring to here, technically. To accommodate the technology changes in the future, that's what's going to happen, and I think it's very exciting, so I'll be supporting it.

The Chair (Mr. David Oraziatti): Further debate? Seeing none, government amendment number 6: all those in favour? All those opposed? It's carried.

Seven and 7R are withdrawn. Conservative motion 7.1: Mr. O'Toole.

Mr. John O'Toole: Seven point one, that's amending section 2. Okay. I move that subsection 78.1(4) of the Highway Traffic Act, as set out in section 2 of the bill, be amended by adding the following clauses:

"(a.1) the driver of a motor vehicle being used for the purpose of a business that relies on a dispatch service, including a driver of a commercial motor vehicle and a driver of a motor vehicle being used for a courier or messenger service;

"(a.2) a municipal law enforcement officer;

"(a.3) the driver of a public transportation vehicle;"

The Chair (Mr. David Oraziatti): Further comment?

Mrs. Linda Jeffrey: We won't be supporting this motion at this time. The ministry recognizes that there is a wide range of businesses and organizations that rely on the use of hand-held equipment. Not supporting this motion does not mean that the concerns of the drivers listed in this motion won't be considered. They are under review, and if the bill passes, their concerns will be given serious review as the supporting regulation is drafted. Similar motions relating to emergency vehicles driven by enforcement officers in government ministries have been withdrawn. These exemptions will still be considered as we develop the supporting regulation. The ministry proposes to consult with stakeholders and with the public through their regulatory registry and will consider requests through that process.

Mr. John O'Toole: I'm hoping that the people who made delegations here—I did meet with some of them—are being accommodated in the exemption section. We talk about some of these things being dispatching, logistical services, all the things like that. They're being accommodated in the exemption section too.

Mrs. Linda Jeffrey: Mr. O'Toole, I believe the people who came forward—some of them thought they were not allowed to use their communication device, whereas, if it was fixed on the dash and they had a hand-held mike system, they were allowed. At this point, we're

still considering some of the exemptions as a result of some of the delegations we saw and heard during the three days. They made some pretty compelling arguments, so we're going to be considering them.

Mr. John O'Toole: I guess this is where, again, I go back and I had—I have not had a direct hand in this because of other obligations as the municipal critic; there's stuff there that I do too. But all this should have been handled in regulation. It really is not properly addressed. I don't accuse lawyers of not—but it really should have been because they'll be approaching you and trying to make their arguments, and you have to come back—you can't do it; the police won't know how to enforce it; is it an exemption or not? It should have been stated in regulation. The minister can review it and add it or delete it as they see fit, these exemptions and these devices, because there will be more of them. As we speak, they're probably being invented, so again, I'd ask for your support on a recorded vote.

The Chair (Mr. David Oraziatti): Mr. Miller.

Mr. Paul Miller: The only thing I can say is, you say that you're considering the future. If some of the delegations made presentations that you're considering and made viable conclusions to their argument, then why are you going ahead with the bill without implementing them? Once again, you're putting the cart before the horse. If you're going to do the bill, do it right the first time. I don't understand why you would do that.

The Chair (Mr. David Oraziatti): No further comment?

Mr. John O'Toole: If I may, Mr. Miller makes a good point. I guess it's like in a hockey game, if you take a score of 2-1 or a goal in overtime. You're just stacking up the bills here. Anyway, very good. You win by 10 to 1.

The Chair (Mr. David Oraziatti): Thank you, Mr. O'Toole. You've called for a recorded vote on opposition motion 7.1.

Ayes

Paul Miller, O'Toole.

Nays

Brownell, Jeffrey, Kular, Mauro, Mitchell.

The Chair (Mr. David Oraziatti): The motion is lost. Mr. O'Toole, motion 7.2.

Mr. John O'Toole: I move that section 78.1 of the Highway Traffic Act, as set out in section 2 of the bill, be amended by adding the following subsection:

"Demerit points

"(6.1) Every person who contravenes subsection (1) or (2) shall accumulate demerit points in accordance with the regulations made under section 56."

This section here—I did talk directly to this—is a really important section. You should listen. I hope there may be a chance for some of these members to redeem themselves, and by that I mean, do the right thing here.

On enforcement—the same with seat belts. When that came in, everybody was against it. How you implement this is very important. I think there should be a hierarchy of offences and demerits or whatever. On first offence, you would certainly have to take a course on driver distraction; second offence, you'd get some kind of little bag with some stuff in it—some reading; and third offence, you'd get whacked with a fine. I don't want to implement this thing with a huge whack of a fine right off the bat.

In other jurisdictions, that's how they've done it. In Newfoundland, which is enforced now—it's been challenged in the courts on enforceability, and that's what we're trying to do here: set up a regulatory framework where the minister can use some creative ideas to educate drivers in this technological world.

The Chair (Mr. David Oraziotti): Further comment?

Mr. Paul Miller: Obviously I wasn't on this committee and I didn't see the presentations, but I'm just trying to get some more information from Mr. O'Toole. So you're saying that there should be demerit points for people that are looking at these screens and get caught by the police? What are you saying?

Mr. John O'Toole: Well, when there's a fine prescribed in the legislation to be implemented, that there be some discretion.

Mr. Paul Miller: And how do you intend to have it enforced?

Mr. John O'Toole: That's a pretty tough question. Why don't you ask the parliamentary assistant?

The Chair (Mr. David Oraziotti): Ms. Jeffrey is waiting to comment on that, so perhaps Ms. Jeffrey would like to comment.

Mrs. Linda Jeffrey: The ministry understands that the application of demerit points to an offence underscores the importance of a law. The minister has indicated he will consider assigning demerit points to this offence when the regulation is developed. The legislative authority already exists to make such a change through regulation, so there's no need to include a further amendment of this type. So we won't be supporting this motion.

Whether or not to assess demerit points on conviction for certain offences is determined after a consideration of many different factors, including the additional burdens on court and police resources, resulting from more drivers contesting tickets. There are consequences of a conviction for this offence in the form of a fine ranging from \$50 to \$500.

Should the police believe a situation is particularly serious and warrants the addition of demerit points upon conviction, they can lay the charge for careless driving under the highway act, instead of a charge for this offence. A conviction for careless driving would result in a much higher fine, up to six months in jail, up to a two-year driver's licence suspension and, if the court decides not to impose a licence suspension, the accumulation of six demerit points.

The Chair (Mr. David Oraziotti): Thank you, Ms. Jeffrey—

Mr. John O'Toole: I guess that's the point, too. I think that it should be implemented a little less rigorously. The only tool today, as you've described careless driving—six demerit points, and your insurance goes up and you go bankrupt. But you're the government.

The Chair (Mr. David Oraziotti): Mr. Miller.

Mr. Paul Miller: Once again, I don't think it was well thought out. If you're going to have regulations and you're going to have a bill passed and you don't know how you're going to implement the demerit points or if there are going to be any demerit points—you haven't decided. So you're going ahead, putting forth legislation without any penalties that are enforceable, other than the one that already exists in the legislation. To me, once again, we're putting the cart before the horse. I don't understand why you're going ahead with these bills. This happens all the time. It's beyond me. It's not well thought out.

1740

The Chair (Mr. David Oraziotti): Further comment? Seeing none, all those in favour of the opposition motion? All those opposed? The motion is lost.

Government motion 8 has been withdrawn from section 2. Shall section 2, as amended, carry? All those in favour? Opposed? Carried.

Section 3: Any debate on section 3?

Mr. John O'Toole: I want to put this on the record. I'm being denied the right to democracy here, technically. On section 3 of the bill, the Progressive Conservatives recommend voting against the entire section.

The Chair (Mr. David Oraziotti): Okay. You're voting against section 3. It's not an amendment and your comments are noted.

Section 3: Any further comments?

Mr. John O'Toole: No comment.

The Chair (Mr. David Oraziotti): Section 3: Shall it pass as presented? All in favour? Opposed? Carried.

Section 4, government amendment 9. Mr. Mauro.

Mr. Bill Mauro: I move that section 4 of the bill be struck out and the following substituted:

“Commencement

“4(1) Subject to subsection (2), this act comes into force on the day it receives royal assent.

“Same

“(2) Sections 1 and 2 come into force on a day to be named by proclamation of the Lieutenant Governor.”

The Chair (Mr. David Oraziotti): Mrs. Jeffrey.

Mrs. Linda Jeffrey: This amendment brings the Public Vehicles Act amendments with respect to carpool vehicles into effect upon royal assent. It allows carpooling changes to come into effect quickly, if the legislation passes, and addresses the needs of carpooling commuters.

The Chair (Mr. David Oraziotti): Comments? Mr. O'Toole.

Mr. John O'Toole: Yes, I would ask—I know this isn't the appropriate section, section 5, but in the context of this motion—

The Chair (Mr. David Oraziotti): We're going to get to section 5, but if you want to—

Mr. John O'Toole: Yes, okay. That's good. That's fine. I support this.

The Chair (Mr. David Oraziotti): All in favour of government motion 9? Carried.

Shall section 4, as amended, carry? All those in favour? Carried.

Section 5: There are no amendments, but Mr. O'Toole, go ahead.

Mr. John O'Toole: Yes. This being a Wednesday afternoon, I guess, and the short title of the act being the Countering Distracted Driving and Promoting Green Transportation Act, I would like to make a motion here that it be named that, as well as the John O'Toole act. I mean this in a tongue-in-cheek sort of way. Now, it's just a friendly amendment. It can be called "green transportation" and all the rest of this fancy stuff—

Mr. Paul Miller: Have you got photographers outside waiting for you?

Mr. John O'Toole: No, actually. But can we have some sort of celebration about—the fact is, this is a bill that I support in general, the principle of dealing with technology in the driver's space, and I have a lot of people to thank, as you did, Ms. Jeffrey, in the previous bill, Bill 126. I could thank the police services and the police associations, the Ontario Safety League, the CAA, the OTA—a whole bunch of people who over the years first gave me the idea. Secondly, I drafted legislation that even the government that I was a member of didn't see fit to pass. Yet one of the lobbyists who came to me looking for an exemption, which you've recognized, was the Minister of Transportation lobbying to implement it. When he was in government, he wouldn't deal with the technology issue, and now he's working in the industry and asking for exemptions.

I think you're doing the right thing. In that respect, I also would like all of us to try to make a contribution to civilized society, and that would include most Liberals.

The Chair (Mr. David Oraziotti): Thank you for your comments, Mr. O'Toole. If you're seriously moving the amendment, it's out of order, but we appreciate your comments.

Mr. John O'Toole: I've been ruled out of order by the Chair one more time. It's tragic.

The Chair (Mr. David Oraziotti): Shall section 5 carry, as presented?

Mr. John O'Toole: Recorded vote.

Ayes

Brownell, Jeffrey, Kular, Mauro, Paul Miller, Mitchell.

Nays

O'Toole.

The Chair (Mr. David Oraziotti): Section 5 is carried.

Shall the title of the bill carry? All those in favour? Carried.

Shall Bill 118, as amended, carry? All those in favour? Opposed? Carried.

Shall I report the bill, as amended, to the House? All those in favour? Carried. Thank you.

Mrs. Jeffrey?

Mrs. Linda Jeffrey: I would like to formally thank Mr. O'Toole for the work that he did in the past on his private member's bills to address the issue of driver distraction. His persistence helped in designing Bill 118. On our side of the House, we'd like to acknowledge the work of Kevin Flynn, who introduced a bill on a wireless device ban for novice drivers. We appreciate their work.

We'd like to thank our stakeholders and all of our presenters for bringing forward suggestions that made this a better bill. Thank you very much.

The Chair (Mr. David Oraziotti): Thank you, Mrs. Jeffrey. Mr. Miller?

Mr. Paul Miller: I'm just a little disappointed that Mrs. Jeffrey didn't thank the NDP for their input and the great ideas that they constantly come to the committees with which somehow get overlooked on a regular basis. It's unfortunate.

The Chair (Mr. David Oraziotti): Thank you, Mr. Miller.

On that note, I want to thank all members of the committee for their participation today in recommending Bill 118 and Bill 126 to the House. The committee stands adjourned. Thank you.

The committee adjourned at 1747.

CONTENTS

Wednesday 1 April 2009

Road Safety Act, 2009, Bill 126, <i>Mr. Bradley</i> / Loi de 2009 sur la sécurité routière, projet de loi 126, <i>M. Bradley</i>	G-357
Countering Distracted Driving and Promoting Green Transportation Act, 2009, Bill 118, <i>Mr. Bradley</i> / Loi de 2009 visant à combattre la conduite inattentive et à promouvoir les transports écologiques, projet de loi 118, <i>M. Bradley</i>	G-369

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Oraziatti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Oraziatti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Mr. Gilles Bisson (Timmins–James Bay / Timmins–Baie James ND)

Mr. Paul Miller (Hamilton East–Stoney Creek / Hamilton–Est–Stoney Creek ND)

Mr. John O’Toole (Durham PC)

Also taking part / Autres participants et participantes

Ms. Barbara Maher, acting director, safety policy and education branch, Ministry of Transportation

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. Albert Nigro, legislative counsel

CAZON
X416
-G23



G-20

G-20

ISSN 1180-5218

Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Monday 6 April 2009

Journal des débats (Hansard)

Lundi 6 avril 2009

Standing Committee on General Government

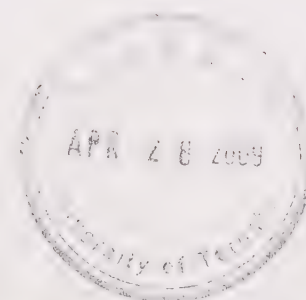
Green Energy and Green
Economy Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 sur l'énergie verte
et l'économie verte

Chair: David Oraziotti
Clerk: Trevor Day

Président : David Oraziotti
Greffier : Trevor Day



Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Monday 6 April 2009

Lundi 6 avril 2009

The committee met at 1403 in room 228.

SUBCOMMITTEE REPORT

The Chair (Mr. David Oraziotti): Good afternoon, everyone, and welcome to the Standing Committee on General Government. This afternoon we'll be debating Bill 150, An Act to enact the Green Energy Act, 2009 and to build a green economy, to repeal the Energy Conservation Leadership Act, 2006 and the Energy Efficiency Act and to amend other statutes.

The first item of business before the committee is the subcommittee report. Can I have someone read the subcommittee report? Mrs. Mitchell.

Mrs. Carol Mitchell: Your subcommittee met on Wednesday, March 18, 2009, and Wednesday, April 1, 2009, to consider the method of proceeding on Bill 150, An Act to enact the Green Energy Act, 2009 and to build a green economy, to repeal the Energy Conservation Leadership Act, 2006 and the Energy Efficiency Act and to amend other statutes, and recommends the following:

(1) That the committee meet in Toronto on April 6, 8, 20 and 22, 2009, for the purpose of holding public hearings.

(2) That the committee meet in London, Ottawa and Sault Ste. Marie on April 14, 15, and 16, 2009, for the purpose of holding public hearings.

(3) That the committee clerk, with the authorization of the Chair, post information regarding public hearings in the Globe and Mail, the Toronto Star, the Toronto Sun, the Ottawa Sun, the Ottawa Citizen, the London Free Press and the Sault Ste. Marie Star for one day during the week of March 23, 2009. This is to include French newspapers where applicable.

(4) That the committee clerk, with the authorization of the Chair, post information regarding public hearings on the Ontario parliamentary channel and the Legislative Assembly website.

(5) That interested parties who wish to be considered to make an oral presentation contact the committee clerk by 12 noon on Friday, March 27, 2009.

(6) That groups and individuals commenting on the bill be offered 10 minutes for their presentation, followed by up to five minutes of questions by committee members.

(7) That, in the event all witnesses cannot be scheduled in any location, the committee clerk provide the

members of the subcommittee with a list of requests to appear in that location.

(8) That the members of the subcommittee prioritize and return the list of requests to appear by 12 noon on Monday, March 30, 2009.

(9) That the committee request authorization from the House leaders to meet until 9 p.m. on Wednesday, April 8, and Wednesday, April 22, 2009, for the purpose of public hearings.

(10) That the Minister of Energy and Infrastructure be invited to appear before the committee at the commencement of the public hearings to make a presentation of up to 15 minutes, followed by five minutes of questions by each caucus.

(11) That the deadline for written submissions be 5 p.m. on Wednesday, April 22, 2009.

(12) That, for administrative purposes, proposed amendments be filed with the committee clerk by 12 noon on Friday, April 24, 2009.

(13) That the committee meet for the purpose of clause-by-clause consideration of the bill on Monday, April 27, and Wednesday, April 29, 2009.

(14) That the research officer provide the committee with a summary of presentations.

(15) That the committee clerk, in consultation with the Chair, be authorized prior to the adoption of the report of the subcommittee to commence making any preliminary arrangements necessary to facilitate the committee's proceedings.

The Chair (Mr. David Oraziotti): Any further comments on the subcommittee report? Seeing none, all those in favour? Carried.

Just one item I want to mention before we get going. The minister indicated that he will be here on Wednesday to make a presentation. His schedule didn't permit him to be here for today's session.

GREEN ENERGY AND GREEN
ECONOMY ACT, 2009LOI DE 2009 SUR L'ÉNERGIE VERTE
ET L'ÉCONOMIE VERTE

Consideration of Bill 150, An Act to enact the Green Energy Act, 2009 and to build a green economy, to repeal the Energy Conservation Leadership Act, 2006 and the Energy Efficiency Act and to amend other statutes / Projet de loi 150, Loi édictant la Loi de 2009

sur l'énergie verte et visant à développer une économie verte, abrogeant la Loi de 2006 sur le leadership en matière de conservation de l'énergie et la Loi sur le rendement énergétique et modifiant d'autres lois.

SIERRA CLUB ONTARIO

The Chair (Mr. David Orazietti): We can start with the first presenter, the Sierra Club, if you'd like to come forward. Good afternoon and welcome to the committee. You have 10 minutes for your presentation. Please state your name for the purposes of the recording Hansard, and you can begin when you like. There will be five minutes remaining for questions from members of the committee.

Mr. Dan McDermott: I'm Dan McDermott, director of Sierra Club Ontario. With me today is Sarah Giles, who is a researcher with Sierra Club Ontario.

Bill 150, the Green Energy Act, represents a substantial advancement in Ontario's commitment to renewable energy. When enacted, Bill 150 will transform the reality of renewable energy in Ontario from its current boutique status to that of a significant and expanding component of the province's electricity mix. The Green Energy Act will transform Ontario from non-player to the role of sustainable energy rising star of North American jurisdictions.

This is not to say that the Green Energy Act is perfect, but it is undeniably a very good start. Changes to the act are being recommended by environmentalists and green energy advocates. As just one example, Sierra Club strongly supports the recommendation that feed-in tariffs should not be left to ministerial discretion but should be mandated as a highly necessary tool to guarantee a solid and expanding role for green energy generation in Ontario.

Much more also needs to be done before Ontario can be considered to be in the company of energy-efficient jurisdictions in North America. Sierra Club continues to be frustrated by the Ontario government's failure to absorb the simple wisdom that the cheapest, most efficient and environmentally sustainable form of electricity generation is the energy you don't use. It is good that we have come to accept the clothesline as an acceptable technology in this province, but we have a long way to go before Ontario can be mentioned in the same breath as energy conservation leaders such as California. Bill 150 does not close this gap.

1410

In addition to the growth of green energy generation that will be achieved in Ontario as a direct result of Bill 150, the Green Energy Act sends a strong signal that Ontario is open for green energy business. We are already seeing indications that Ontario is being positioned to become a North American leader in the rapidly emerging market of green energy technology and equipment. Hopefully, the recent announcement of a solar equipment manufacturing facility opening shop in Kingston will be the leading edge of Ontario's emergence into the economy of the 21st century.

The counterbalance to Sierra Club's Green Energy Act enthusiasm remains the Ontario government's slavish addiction to nuclear expansion. Insanity has been defined as engaging in the same activity repeatedly and expecting a different outcome. By this measure, Ontario's continuing love affair with nuclear power clearly qualifies as insane. Years of meaningless construction schedules, outrageous cost overruns and unexpected reactor breakdowns were ignored by the Ontario Power Authority and continue to be ignored by the government. The McGuinty government blithely repeats the assurances of nuclear agents that the future will be problem free and the past should be forgotten.

Green energy advocates have noted that governments can commit to either soft path energy or nuclear expansion; there simply is never enough money to do both. This observation is now being stated by the nuclear lobby, as it views with alarm the growing commitment of governments to green energy. Concerns are being voiced that too much green energy could impinge upon nuclear profits. In this perverse world view, the absolute primacy of nuclear must be assured and all other methods of keeping the lights on must conform to this absolute.

Sierra Club congratulates the government of Ontario on the bold and forward-looking initiative that is Bill 150. Other deputants will present you with details on how the Green Energy Act can easily and effectively be improved.

Sierra Club's overarching concern is that the Ontario government's new-found support for green energy is on a collision course with its commitment to nuclear power. The reality is that nuclear expansion and green energy growth are incompatible cohabitants. The day will come when the government of Ontario will need to choose between these competing priorities. Sierra Club strongly urges the McGuinty government to make the choice now to stop throwing good money after bad and invest in the green energy future that must quickly become our present.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. We'll start with questions from the opposition. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much for your presentation today, Dan and Sarah. A couple of questions: This act lays out no actual targets for reducing emissions. Is that a failure of the act or something that is simply—

Mr. Dan McDermott: As I said, the act is not perfect, but it is light years ahead of where we are now, in terms of incenting green energy in Ontario. We're already seeing signs that this could be the leading edge of Ontario becoming a primary jurisdiction in terms of green energy growth. The facility in Kingston speaks loudly to that.

Mr. John Yakabuski: This act, if implemented, would require a whole lot of small generation as opposed to big generation. As the Sierra Club, with your mandate for protection of the environment etc., how do you see that juxtaposing with your mandate? If you have a whole

lot of small generators around the province, you will require a whole lot more smaller transmission going through wild lands and woodlands etc. How does that mesh with your mandate of protection of the environment?

Mr. Dan McDermott: Decentralized energy generation and distribution has been something the environmental movement has been advocating for a good number of years. Experts such as Amory Lovins have spoken eloquently to bringing sources of generation closer to where they are used, as opposed to the large, central model. I think what you will see is that community use of electricity will also mean community production of electricity.

Mr. John Yakabuski: I want to ask you a question on the price. We had a report released today from London Economics International that indicated the price of electricity could go up 30% to 50% between 2010 and 2025 under this act. Is there a limit? Because if you look at the feed-in tariff, which you people obviously support, the feed-in tariffs go as high as 80.2 cents, but even if you average it out based on what generation will fill in what gaps, we're probably looking at, certainly, a price of more than 15 cents per kilowatt hour as an average just for the power. Is there a limit to what the Ontario economy should accept in the price of power—or whatever it costs?

Mr. Dan McDermott: What you're seeing in the Green Energy Act and what you're seeing in terms of the pricing that will be necessary to get solar and wind on to our grid and as a meaningful part of our supply is an honest accounting. We've not seen such honest accounting in terms of other sources of energy in this province. I would point out that the stranded debt that we talk about in Ontario is principally a nuclear debt. That is certainly a part of the long-term cost of the electricity we've been enjoying these many years.

The Chair (Mr. David Oraziotti): Thank you, Mr. McDermott. We have to move on. Mr. Marchese.

Mr. Rosario Marchese: Thank you, Dan. I'm glad you focused on nuclear, because New Democrats have been talking about this for quite some time, and I made reference to that in my own remarks in the 20 minutes that we get. We believe that the government, as much as it is advancing in the area of renewable energy—we believe the real commitment is to nuclear. They rarely talk about it. They avoid the subject. We argue that nuclear is incredibly expensive. To create two new nuclear stations, it could be anywhere from \$25 billion to \$40 billion or \$45 billion. We argue that it's not as clean as the minister and as the government say, that no one knows what to do with the radioactive waste; no one has figured it out yet. It's dangerous; it's radioactive for 10,000 years. It can hardly be clean. The tritium—the sub-product of the processing—is serious in terms of the lethal implications it has. So it's costly.

People talk about the feed-in tariffs and how costly that will be, but they don't talk about how costly nuclear is going to be for us, let alone the other elements I

mentioned. So I don't know whether you want to add any more to the comments you made, but in my mind, the real commitment is to nuclear, and that limits the amount of renewable energy you can produce, based on the commitment they have to nuclear.

Mr. Dan McDermott: That's the significant part of the message I'm bringing today. I salute the government for the commitment that the Green Energy Act represents. I'm concerned that, at some point, the government is going to have to come to a decision, in terms of which direction to favour. As we have seen many times in the past, the nuclear genie is insatiable in terms of the appetite for evermore of our dollars.

In terms of the accounting of the costs of solar and wind, we're seeing that those costs are coming down, that as these technologies improve and become more efficient, the electricity they produce becomes cheaper. With nuclear, we are not seeing any such benefits. In terms of nuclear accounting, I would dearly love to know what is going to be our budget for monitoring nuclear waste in the year 2109, because we will have to be making expenditures to look after those very dangerous wastes at that time and for centuries beyond that.

Mr. Rosario Marchese: Thank you, Dan.

The Chair (Mr. David Oraziotti): Thank you. Ms. Broten.

Ms. Laurel C. Broten: Thank you, Dan. You made mention with respect to California and that being a jurisdiction where they really have created a culture of conservation. I'm wondering what your view is with respect to some of the elements which are contained in the Green Energy Act, both honest accounting with respect to externalized costs of using coal electricity—I think as a government we've really tried to focus on that—but also with respect to information that can be provided to homeowners and how we might be able to replicate some of the efforts that California has made in terms of that culture of conservation.

1420

Mr. Dan McDermott: Sierra Club, a couple of years ago when Ontario was making the decision as to whether or not to invest in new nuclear, brought three energy efficiency experts from the state of California to tell how they had managed to do the miracle of actually decreasing demand in a state where population continues to increase. They said that it came out of necessity. It's very difficult for them to bring any new sources online because of existing regulation; any nuclear that would be proposed in California would have to go through a referendum, and thus virtually guaranteed of being defeated. So it came out of necessity, and Ontario is going to have to grasp that same necessity. We missed a golden opportunity a couple of years ago with the building code. Marginal improvements were made when major improvements were required.

So many aspects of energy conservation are things that we don't think about. For example, municipal electricity expenditures by municipal governments: The principal thing that that electricity is used for is pushing water

through the system. So in that context, the leaky pipes that we know need to be replaced throughout Ontario would not only be water conservation measures, they would be energy conservation measures as well.

Ms. Laurel C. Broten: Do you think that the home energy audit that's proposed in the Green Energy Act will facilitate an individual homeowner's knowledge of the efforts that they could take to improve the energy efficiency of their home?

Mr. Dan McDermott: It's certainly a step in the right direction. I do think much more should be done in terms of mandating the improvements in terms of new build, so that the houses and dwellings that we're bringing online in the 21st century meet 21st-century energy needs.

The Chair (Mr. David Orazietti): That's all the time we have for questions. Thank you very much for your presentation.

ONTARIO CLEAN AIR ALLIANCE

The Chair (Mr. David Orazietti): Our next presenter is the Ontario Clean Air Alliance, Jack Gibbons. Good afternoon, sir. Just state your name for the purposes of Hansard, and you have 10 minutes for your presentation. You can begin when you like.

Mr. Jack Gibbons: Thank you Mr. Chair, members of the committee. I'm Jack Gibbons from the Ontario Clean Air Alliance. Thank you very much for the opportunity to speak to you this afternoon about the proposed Green Energy Act.

At the beginning of the last century, thanks to the strong leadership of Sir Adam Beck and Ontario Hydro, Ontario phased out coal-fired generation for the first time and created for our province a virtually 100% renewable electricity system that lasted for almost 50 years. By the beginning of next year, thanks to the strong leadership of Premier Dalton McGuinty, we will be able to achieve a virtually complete coal phase-out for the second time in Ontario, and as a result, once again, we have the opportunity to move our electricity system towards a 100% renewable electricity grid. The proposed Green Energy Act is an important step forward on the road to a renewable electricity future for Ontario.

The Ontario Clean Air Alliance has two objectives: first, to help move Ontario towards a renewable electricity future as quickly as practically possible, and second, to achieve that objective at the lowest possible cost to Ontario's electricity consumers and taxpayers. Therefore, we would like to propose two amendments to the Green Energy Act to help achieve those objectives.

Our first proposed amendment is an amendment which would make it illegal for nuclear power companies to pass their capital cost overruns on to consumers and taxpayers. This proposed amendment would do two things. First, it would create a level playing field between nuclear and renewable energy companies. To date, the Ontario Power Authority has signed over 450 contracts with renewable power suppliers. Not one of these con-

tracts allows the renewable power suppliers to pass their cost overruns on to consumers or taxpayers.

In addition, our proposed amendment would also protect Ontario's consumers and taxpayers from future nuclear cost overruns. As you know, every nuclear project in the history of Ontario has gone over budget. As a result, last year, Ontario's long-suffering electricity consumers and taxpayers had to shell out \$2 billion to pay down the nuclear debt of the now-defunct Ontario Hydro. That is equivalent to \$600 a year for a hard-working family of four, and we are on the hook to continue to pay these charges for years to come. Ontario is now a have-not province. We cannot afford to repeat the mistakes of the past.

Our second proposed amendment is to create a feed-in tariff for natural gas combined heat and power plants. Today, Ontario obtains approximately 25% of its electricity from renewable sources. We obviously cannot move to a renewable electricity future overnight, so we need a transition option. Combined heat and power plants use natural gas to simultaneously produce heat and electricity. We believe that as long as we continue to use natural gas for heating, we should also use these same molecules of natural gas to simultaneously produce electricity. In this context, I would like to note two facts: First, Ontario's combined heat and power potential exceeds our total existing nuclear generation capacity; second, combined heat and power plants are our lowest-cost supply option to help us transition toward a 100% renewable electricity grid.

Thank you very much for your attention.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. I'll start with the NDP. Mr. Marchese.

Mr. Rosario Marchese: Just a quick question, Jack.. I accept your amendment. It says, "Make it illegal for nuclear power companies to pass their capital cost overruns on to Ontario electricity consumers and taxpayers," which is a very useful thing, because we know there have been overruns everywhere. But we are saying we shouldn't be doing it in the first place. We shouldn't be building nuclear in the first place. We should be committing ourselves to renewable now, and once we make that effort and expand it as much and as best we can, then we talk about what else we need to do.

Are you saying that nuclear is a given and you're accepting that, and the only thing we can do is try to make sure they don't pass the cost overruns on to the public?

Mr. Jack Gibbons: We're not saying nuclear is a given. The decision has not been made yet. The Ontario Clean Air Alliance is promoting the move to a renewable electricity future—that's our goal—and we are not advocating nuclear power.

Nuclear power is a very divisive issue in this province, and it has tended to be a theological debate. We're trying to help resolve that debate and move forward. I think that virtually everyone who believes nuclear power is economic also believes we should protect consumers and

taxpayers. They believe it's appropriate that private sector companies should not be allowed to pass their cost overruns on to consumers and taxpayers, and virtually everyone who supports nuclear power believes in a level playing field.

In order to try to build consensus and move forward, we're saying, "Create a level playing field, and then let the market reveal which is the lowest-cost option." We believe that if there is a level playing field, then the market will reveal that energy efficiency, renewables, combined heat and power, and electricity imports from the great province of Quebec are lower-cost options to keep our lights on. If we can demonstrate that—if the market demonstrates that—I think that virtually everyone in Ontario will support moving in this direction.

The Chair (Mr. David Oraziotti): Mr. Mauro.

Mr. Bill Mauro: Thank you, Mr. Gibbons, for your comments. I'm interested, if I could, in revisiting your comments on the use of natural gas for generation of electricity. I'm not sure where we are in Ontario today, in terms of the percentage of electricity that's produced by the use of natural gas. Have you got a sense of where we are with that right now?

Mr. Jack Gibbons: I think it may have been approximately 8% last year.

Mr. Bill Mauro: Do you have a sense of where you would like to see that go, in terms of the total percentage of our production you would like to see come from natural gas?

Mr. Jack Gibbons: Our long-term goal is to move to a 100% renewable electricity future. So in the long run, it would be zero. But what we're saying is that we use a lot of natural gas today for heating homes, offices, buildings and factories. We're just using those molecules of natural gas to provide one service, heating, and we're going to continue to do that for many years to come. We're saying that as we continue to use natural gas for heating, let's use it as efficiently as possible and also produce electricity at the same time. That's what they do in Europe; that's what they do in Japan. We're buying that natural gas from Alberta. Ontario dollars and jobs are flowing out to Alberta to buy that natural gas. So if we are going to continue to use natural gas for heating to drive our production processes in industry, let's get the maximum bang for that buck.

1430

Mr. Bill Mauro: If we started to use natural gas to produce electricity more than we do currently, many people see it as a significantly declining resource, a diminishing resource. Is that not going to pressure home heating costs? Many people see natural gas's best use as simply for home heating, and if we begin to buy more of it, a larger quantum of it, from Alberta to produce electricity in Ontario, is that not going to put upward pressure on home heating costs for people who live in residential accommodation?

Mr. Jack Gibbons: Increased demand for natural gas by Ontario will have a very insignificant impact on the price of natural gas. We have a North American market

in natural gas thanks to the Mulroney free trade deal. Ontario consumes about 4% of North America's total natural gas. So if we increase our natural gas consumption, it's not going to have any significant impact on the North American commodity cost of natural gas.

But what we are also saying is that even though we should use natural gas as efficiently as possible for combined heat and power as a transition option—we have about 70 years of natural gas supply left in Canada—we should also be very aggressively promoting the energy conservation of natural gas as a whole. So while we're using more natural gas for electricity generation, our total Ontario natural gas consumption should go down.

I agree with you that we should be moving to reduce our total Ontario natural gas consumption, but as part of that we should use it as efficiently as possible, with the natural gas combined heat and power plants, as a transition option as we move toward a 100% renewable grid. Again, the more the Green Energy Act is complemented by hydroelectricity imports from the province of Quebec and the province of Newfoundland and Labrador, the quicker we can transition to a 100% renewable future and reduce our dependence on gas from Alberta.

The Chair (Mr. David Oraziotti): Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much for joining us, Jack. It's always good to see you.

You talked about power at the lowest possible price, and I know you and I might have this debate about nuclear, but we're going to stay off that one today because we have limited time. Bill already asked you about that to some degree.

The cost of power is a significant issue for industry and families in Ontario. Under this Green Energy Act, the report that was tabled today suggests that the cost of power could rise substantially depending on the uptake numbers in the act, because we've got a feed-in tariff system that says, "We will pay this much for that kind of power—no limits. If you want to build it, we'll pay for it." Does the alliance agree that there is a limit to the cost of power, at which industry or families simply cannot bear anymore?

Mr. Jack Gibbons: To respond to you, John, a couple of points: I think that no matter what electricity supply future we choose, electricity rates will go up in Ontario.

Mr. John Yakabuski: George says only 1%.

Mr. Jack Gibbons: They're going to go up by more than 1%. So we are proposing policies to ensure that the increase in the price of power is as low as possible. Again, having a combined heat and power feed-in tariff would be one way to do that, because the cost of combined heat and power is about six to nine cents a kilowatt hour, compared to the cost of new nuclear, which Moody's Investors Service says is 15 cents a kilowatt hour. That's one way.

The other way to keep rates down is to import more relatively low-cost hydroelectric power from Quebec and Labrador, and also to dramatically increase our spending

on energy efficiency, because that's the best way to reduce bills and increase the competitiveness of our industries. To date, for example, for every dollar the Ontario Power Authority has spent on energy conservation and efficiency, they've contracted for \$60 of new supply. So we haven't taken a balanced approach. We need to ramp up our spending on energy efficiency to reduce the bills of all types of consumers.

The Chair (Mr. David Orazietti): Thank you very much for your presentation.

BETTER PLACE

The Chair (Mr. David Orazietti): Our next presenter is Sean Harrington. The organization is called Better Place.

Good afternoon and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, and there will be five minutes for questions. Please state your name for Hansard purposes, and you can begin when you like.

Mr. Sean Harrington: Thank you, Mr. Chair, and thank you to the members of the standing committee for allowing me to speak to you today.

My name is Sean Harrington and I am director of global development for Better Place. I am a transplanted Canadian working in California, but I recently had the pleasure of spending 12 weeks in Toronto, building our relationship with the Ontario government and further developing our business plan for Better Place Canada.

For those committee members not familiar with Better Place, the company was born from World Economic Forum founder Klaus Schwab's question to young global leaders in 2005: "How do you make the world a better place by 2020?"

Schwab's question inspired Better Place founder and CEO Shai Agassi to imagine a world without oil. Agassi drew from his experience as a senior executive at SAP, and insights from world leaders, notably Israeli president Shimon Peres, to formulate a business model that applies mobile phone industry economics and renewable energy to transportation.

Founded in October 2007 on US\$200 million of venture capital, the Better Place mission is to end dependence on oil by unbundling oil from transportation through the deployment of electric-car-charging networks powered by renewable energy.

Under the Better Place model, the company plans and installs a network of charge spots and battery switch stations, giving drivers the same convenience to top off as they enjoy today with gasoline stations.

Much like the mobile phone model, Better Place installs and operates the network of charging infrastructure, while leading auto manufacturers produce electric cars for the Better Place network. Better Place sources renewable energy to power the network, creating a zero-emissions solution from generation to grid to transportation.

For consumers, it means they'll be able to subscribe to a sustainable transportation service. Better Place provides the batteries to make owning an electric car affordable and convenient. Better Place will install charge spots in parking spaces at home, at work and at retail locations, which enable the network to automatically top off the electric car.

For distances longer than what most people drive in a given day, drivers will pull in to battery switch stations to swap a depleted battery for a fresh one in less time than it takes to fill a car with gasoline.

Better Place acts as a catalyst for sustainable mobility by partnering with the world's leading car manufacturers to build zero-emission vehicles with swappable batteries. The company also partners with energy companies to provide renewable sources of electric generation to power electric cars.

By building and operating a network for electric cars powered by renewable energy, Better Place enables markets to switch to sustainable transportation, reducing oil dependence and greenhouse gas emissions while fueling the green economy.

In January 2008, Better Place announced its first country partner, Israel, which declared a policy for energy independence by 2020. Better Place now has agreements with Denmark, Australia, California and Hawaii.

On January 15 of this year, at a well-attended media event, the Premier announced that Ontario would be joining forces with Better Place. At the event, Better Place announced that they would be building an electric car demonstration and education centre in Toronto to lay the groundwork to help get electric cars running on Ontario's roads.

At the event, the Premier also announced that in May 2009, the Ontario government will release a study which will look at ways to speed up the introduction of electric vehicles, including financial incentives designed to encourage the purchase of electric vehicles; preferred access to the transportation grid to encourage the adoption of electric vehicles; forward-looking procurement policies to speed government adoption of electric vehicles into fleet services where appropriate; and, co-ordinated public education and promotion of electric vehicles as a mode of personal transportation.

Better Place chose Ontario because of its commitment to strong action to fight climate change and its commitment to increasing the amount of renewable energy available. Here in Ontario, Better Place is partnering with Bullfrog Power, Canada's only retailer of 100% green electricity, so our electric vehicles will be powered by clean, green energy.

Because of the Better Place commitment to use renewable energy, Better Place is supportive of the proposed Green Energy Act and how it will allow for more clean, green energy to be produced in Ontario. In 2007, the province of Ontario set forth an ambitious action plan on climate change that called for a 15% reduction in greenhouse gas emissions from 1990 levels

by 2020. In doing so, Ontario took a leadership role in the world in terms of its commitment to environmental stewardship.

For the province to seriously address climate change and reduce its greenhouse gas emissions, it must tackle the challenge posed by the transportation sector. Yet most energy and environmental experts have typically viewed this sector as one of the most challenging to address, due to the obvious advantages of using liquid fuels to compensate for the mobility constraints implicit in transportation.

However, in recent years, we have seen a massive shift in vehicle technology and high fuel prices, and we are now seeing a new generation of fully functional, safe, reliable and affordable electric vehicles and plug-in hybrid electric vehicles entering the market. These cars represent the future of sustainable mobility, generating a fraction of the carbon emissions of gas-powered vehicles.

1440

Better Place is encouraged by the government's commitment to tackle the harmful emissions associated with the transportation sector, and that is why Better Place is pleased to see that one of the most notable elements of the Green Energy Act is the commitment to creating a new attractive feed-in tariff regime and the commitment to creating a smart-grid system.

Electric vehicles on a smart-grid system represent tremendous electricity storage potential. On a smart-grid system, these electric vehicles have the potential to mitigate the challenges that come with the intermittency of renewable electricity. Better Place uses smart-charging technology to ensure that vehicles are charged in a way that optimizes the supply of electricity on the grid. For example, Better Place can control the charging of vehicles such that when the wind is blowing and producing electricity through Ontario's wind farms, that electricity is being absorbed by the electric vehicle batteries. As more electricity generated by wind energy is brought on to the grid, as is intended by the Green Energy Act, this benefit of electric vehicles and smart charging will become increasingly important to Ontario's electricity grid.

According to the Ontario Smart Grid Forum's report called *Enabling Tomorrow's Electricity System*, "Electric vehicles hold tremendous promise for Ontario. They can help clean up our air, reduce our dependence on petroleum and create new green jobs for the province." The Ontario Smart Grid Forum's report also argued that, "Building on its established automotive base and its commitment to a greener future, Ontario has an opportunity to become a leader in the development and deployment of electric vehicles."

The beauty of plug-in electric and hybrid vehicles is that the vast majority of the charging infrastructure required to power them already exists today. The electricity transmission and distribution system in Ontario is ubiquitous and extremely reliable. Further, the electricity that would fuel these vehicles is majority carbon-free. The province needs only to solve the last

metre problem, creating the infrastructure that will connect the vehicle fleet with the grid.

In our discussions with the government regarding building electric car infrastructure in Ontario, we have discussed the importance of consumer incentives, both financial and non-financial, associated with the purchase of electric cars.

Our concern with the culture of conservation that is promoted by aspects of the proposed Green Energy Act is the parts of the act that would encourage energy conservation at home and in the workplace. Our concern is not with the concept of conservation, which we wholeheartedly support; rather, the concern is that the implementation of conservation programs would have the unintended effect of discouraging adoption of electric vehicles. Better Place would like to ensure that when regulations and details surrounding electricity conservation in the home are drafted, they reflect the overarching goal of the Green Energy Act, which is the conservation of energy and not just the conservation of electricity.

For example, a consumer should not be negatively impacted for increasing the use of electricity at home if this electricity will be used to power an electric car. According to our calculations, for every gas-powered car that is displaced by an electric equivalent, approximately four tonnes of annual greenhouse gas emissions are abated.

I'm here today because Better Place wanted to articulate its strong support for the Green Energy Act. We want to commend the government for introducing such an environmentally progressive piece of legislation, which will not only benefit Ontarians, but will set an example for the rest of Canada and the rest of the world to follow. As Ontario begins to make this important transition to increase renewable energy and conservation, largely in part because of the proposed Green Energy Act, Better Place knows that electric vehicles will play a critical role by offering a means to store electricity and dramatically reduce greenhouse gas emissions. Better Place, through its charging infrastructure, smart-charging technology and revolutionary business model will enable mass adoption of electric vehicles in Ontario, which is great for the environment and great for the economy.

Better Place is representative of the many companies that will be attracted to Ontario because of the leadership role this government is taking on climate change and renewable energy by introducing the Green Energy Act. During these tough economic times, these companies have the potential to create new jobs and prosperity for Ontario, and can help position Ontario to emerge from the current economic crisis stronger than ever.

Thank you for allowing me to present to the standing committee today. I can now answer any questions you may have.

The Chair (Mr. David Oraziotti): Thank you. You had your 10 minutes timed very well. Ms. Broten?

Ms. Laurel C. Broten: Sean, thank you for attending today. First of all, congratulations on the work that Better Place is doing.

Mr. Sean Harrington: Thank you.

Ms. Laurel C. Broten: I think it's a really innovative solution that's being brought forward, and it's nice to have you in front of committee today.

Your point with respect to unintended disincentives: In some ways, with respect to the culture of conservation, that is the goal, or at least a significant part of the goal of the Green Energy Act. Are there any lessons that we can learn? I know that you've launched networks in Denmark, Australia and northern California. Are there any examples of regulatory regimes or established conservation targets and goals in those jurisdictions that have been accommodated, by way of regulation or otherwise, to not serve as the disincentive that you've put forward with respect to plug-in hybrid electric vehicles?

Mr. Sean Harrington: Sure. The best example of a jurisdiction that has taken that issue into consideration is California. If you look at PG&E as an example of an investor-owned utility, they have a separate electricity rate for electric vehicles. They have accommodated for the fact that there are so-called good loads and so-called bad loads. A good load is an electric vehicle, because it's displacing the burning of fossil fuels, so overall, it's a significant decrease in emissions. Therefore, there is a separate measurement of electricity for electric vehicles and a separate preferred rate for electric vehicles. Is that the only solution? No, but that's one example where it's taken into account; where per capita usage does not include electric vehicle use.

Ms. Laurel C. Broten: Is that preferred rate limited to confirmation that the electricity is being supplied exclusively by renewable sources?

Mr. Sean Harrington: No. The requirement is that the electricity is going to a vehicle as opposed to any other load at the home.

Ms. Laurel C. Broten: As we meet our goal of getting off coal in the province, one of the challenges, and one of the things that you hear people talk about, is that we can't simply transfer tailpipe emissions to our electricity-generating emissions, and that has been part of the concerns raised with respect to electric hybrid vehicles. What do you say to that as we move forward?

Mr. Sean Harrington: I would just say that in terms of the overall usage, first, from Better Place's standpoint—and I think you'll see that consumers who drive electric vehicles have a desire to purchase only clean, green electricity wherever they can, whether it's Bullfrog or other systems in other jurisdictions. But further, the amount of electricity that's required to fuel 3,000 electric vehicles on an ongoing basis is the equivalent of one two-megawatt wind-powered turbine, by our calculations. It fuels about 3,000 vehicles.

The Chair (Mr. David Oraziotti): Thank you for your presentation. That's all the time we have. Pardon me, Mr. O'Toole. Questions?

Mr. John O'Toole: Thank you very much, Sean. It's always a pleasure to hear from young people involved in evolving technology. I think everybody in the room here

agrees with conservation being the primary goal to not having to drain our resources in the economy.

I had the privilege of seeing quite an interesting project in Alberta. It was a partnership between the Alberta utility sector and the wind sector. It's called Ride the Wind!, where they actually power the transit system, which is electric, from wind power at Pincher Creek. It's quite an interesting partnership and it kind of reminds me of some of the things you're saying. It's interesting enough coming from Alberta, such a lousy province in terms of its environmental record.

One thing that I'd like to see is, are there any projects up and running in this particular—charging batteries from wind power and running cars? Are there any pilot activities going on anywhere in the world?

Mr. Sean Harrington: We, as Better Place, are in six markets around the world. We've started building infrastructure in Israel. We have roughly 800 chart spots built out. We have our first battery exchange station, which is operational and will be unveiled in Japan in April—

Mr. John O'Toole: Yes, I heard some of the stuff. We had a bit of a media lodge here. It was quite interesting.

I'm wondering about the performance of commercial vehicles in cold climates. Have you done any evaluation or assessment of that?

Mr. Sean Harrington: Sure. It's an important issue when you're looking at Canada—

Mr. John O'Toole: Yes, because it's cold here all the time.

Mr. Sean Harrington: Coming from Calgary—originally born and raised—certainly, that's an even bigger issue there than here. The answer is, yes, it's taken into the engineering of the electric vehicles. Essentially, the battery is in a climate-controlled environment, so there's some electricity that is used to keep the battery warm in cool climates and cool in hot climates.

1450

Mr. John O'Toole: I wish you good luck, because as I said, wind power now comes in—it will probably cost about the same amount as gas would cost today.

I'm aware also that GM has a big project in California on hydrogen-powered vehicles, which again, is like a battery. Batteries only store energy, they don't create it, so all you're doing is using energy that's generated and storing it, hopefully in an off-peak period. Would your technology have the ability to feed back into the system, sell power back to the system?

Mr. Sean Harrington: Yes, in the long run, it's a concept called vehicle-to-grid technology. It's not that far off. Essentially, at times of peak demand, the electricity would go—

Mr. John O'Toole: When you're not using the car—

Mr. Sean Harrington: Yes, correct.

Mr. John O'Toole: —you're parking it at the airport or something, you could be feeding power back into the grid. So that's all part of the scheme here?

Mr. Sean Harrington: Correct.

Mr. John O'Toole: That's actually something I'd like to see more of in the future. It's quite interesting.

The Chair (Mr. David Oraziotti): Thank you for your question, Mr. O'Toole. Mr. Tabuns.

Mr. Peter Tabuns: Sean, thanks for the presentation. I have two questions. First, if, in fact, we were to convert the car fleet in Ontario to be 100% electric vehicles, what's the total dollar value of the electricity that would have to be produced to feed that fleet?

Mr. Sean Harrington: I don't know the answer in terms of the dollar amount. What I do know is, in most jurisdictions—and I would say Ontario falls somewhere in this bracket—if you convert the entire vehicle fleet to electric, the total demand for electricity over any given period of time is increased by roughly 6% to 15%. So it's an increase, but that's when you're converting the entire fleet, which is certainly not going to happen overnight.

In addition to that, when you look at that, that's total kilowatt hours used, and the beauty of electric vehicles is that they're charged predominantly in the evening when you have underutilized baseload assets or you're at least not adding any additional peak demand requirements.

Mr. Peter Tabuns: Second question: Can you tell us in cost equivalent to dollars per litre, what the electricity would cost? So if I'm recharging my electric battery—

Mr. Sean Harrington: Sure.

Mr. Peter Tabuns:—what would it be? Would it be equivalent to \$1 a litre, \$1.50 a litre?

Mr. Sean Harrington: In terms of just the electricity costs, if you took an example of 15 cents a kilowatt hour, that's roughly what we calculate at about three cents a mile or roughly two cents a kilometre. The gas equivalent would be more around seven or eight cents at today's given prices. So there is significantly lower cost on the electricity side. The interesting thing with electric vehicles is that a lot of the cost is buried in the cost of the upfront battery, so taking out that upfront cost, either through a financing mechanism or through a business model like Better Place where we own the battery, is also important.

Mr. Peter Tabuns: The two cents per kilometre is at how much per kilowatt hour?

Mr. Sean Harrington: Roughly 15 cents a kilowatt hour.

Mr. Peter Tabuns: Right. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

Mr. Sean Harrington: Thank you.

RUTH GRIER

The Chair (Mr. David Oraziotti): Our next presenter is Ruth Grier. I think most of you know Ms. Grier is a former MPP and former cabinet minister. Welcome.

Ms. Ruth Grier: Thank you, Mr. Chair. I'm here today on my own behalf, but as I listen to the discussion I do have a recollection of spending seven weeks in this room in my first term in the Legislature debating whether or not to proceed with the Darlington nuclear plant, and

the minority report written by two of us New Democrats to that is perhaps valuable reading today as you struggle with the same decisions.

I'm here today, as I say, on my own behalf. I'm a member of a number of health and environmental groups, and I want to talk about just one small aspect of the Green Energy Act. I support the direction of the act and the need to increase the amount of green energy in the province's portfolio, and I know only too well when you try to introduce groundbreaking environmental legislation, this requires a balancing of competing interests. But I also believe that all legislation is improved by genuine consultation and collaboration with those competing interests. So I welcome the opportunity to comment on one particular aspect of the green energy bill that, to me, runs the risk of undermining the protection of one of Ontario's most significant environmental areas: the Niagara Escarpment.

The Niagara Escarpment protection plan is quite unique, and for the last 30 years has had the support of provincial governments of all three political parties.

Bill 150 changes the definition of "utility" in the escarpment plan and seeks to establish a one-stop approval process for wind projects. Depending on how the regulations are drafted, this might mean that the Niagara Escarpment Commission no longer could fulfill the purposes and objectives of the Niagara Escarpment Planning and Development Act. This responsibility would be given to the Minister of Energy.

The Niagara Escarpment plan is Canada's first and most extensive environmental land use plan. It was adopted in June 1985 by the then provincial secretary for resources, Norm Sterling, and there was applause from both of the opposition parties in the House at that time. All governments since then have supported continued protection of the environment and of the escarpment.

The purpose of the act and the plan is to "provide for the maintenance of the Niagara Escarpment and land in its vicinity substantially as a continuous natural environment, and to ensure only such development occurs as is compatible with that natural environment." Responsibility for administering the green plan lies with the Niagara Escarpment Commission, and its record of balancing pressure for development and protection of the environment has received international recognition. In Ontario, the Niagara Escarpment Commission was the model for the Oak Ridges moraine and greenbelt planning exercises.

In 1990, the United Nations Educational, Scientific, and Cultural Organization, UNESCO, named Ontario's escarpment a biosphere reserve. In making the announcement of this honour, Dr. Federico Mayor, secretary of UNESCO, said, "The protection of this complex landscape within a rapidly urbanizing region is a tremendous feat of coordination requiring leadership, hard work, imagination, tenacity and a good dose of human psychology." The Niagara Escarpment Commission has shown all of these qualities over the years.

Being designated a biosphere reserve recognizes the escarpment as an internationally significant ecosystem and puts it in the company of other biosphere reserves such as the Galapagos Islands, Africa's Serengeti and the Florida Everglades. The important criterion for this designation is that the escarpment is a continuous natural environment. While occupying only 0.2% of Ontario's land mass, the escarpment is a 725-kilometre green corridor containing 40% of Ontario's rare plants; most of the North American population of hart's tongue fern; 37 species of orchids; the oldest trees in eastern North America—cedars 1,000-plus years old; over 300 species of birds, 200 of which are known to breed on the escarpment; 55 mammal species; and 36 species of reptiles and amphibians. It is an iconic feature of our province.

Municipalities along the escarpment are represented on the commission, and over the years have come to recognize the value of the escarpment as a magnet for tourists, be they birdwatchers, hikers or skiers. Land-owners once feared that protecting the escarpment would prevent them from building or developing their properties, but have realized that that is not the case and that planning with the guidance of the commission has benefited them and the environment and maintained the rural landscape that makes central Ontario so beautiful.

We have property in Clearview township, and when we went up there in the early 1980s, the farmers were saying that the Niagara Escarpment Commission would be telling them what colour to paint their barns. I think that kind of thinking is now gone.

The commission began to discuss the growing demand for wind power several years ago and, after lengthy consultation, developed their own policy with respect to applications for towers within the plan area. But Bill 150 contemplates large-scale commercial projects and their accompanying transmission lines. This is what would break the continuity that is such an important feature of the Niagara Escarpment plan—a continuity that is critical to the maintenance of wildlife as well as the landscape.

So my request is that as you consider Bill 150, you ensure that doing one good thing for the environment does not undermine a 30-year record of environmental achievement and does not set a very dangerous precedent. If wind farms are considered important enough to override protection of the escarpment, then there will be lots of other industries and applicants at your door, looking for the same privilege.

1500

I think this is a case where you in the government can have it both ways: You can encourage wind power, but recognize that there are some areas of the province where existing environmental protection should take precedence. I submit that the Niagara Escarpment is such an area. Thank you very much.

The Chair (Mr. David Oraziotti): Thank you for your presentation, Ms. Grier. Mr. Yakabuski, you have about two minutes.

Mr. John Yakabuski: Thank you very much, Ms. Grier, for joining us this afternoon. You were in this chair under a different role when you sat here for those seven weeks, as you said. I guess I have a couple of questions because there are some concerns about the scope and breadth of the minister's powers that are being bestowed on one person under this act, whomever the energy minister may be at the time. Some would say that it usurps the power of municipalities to make decisions respecting their own boundaries. Others would say that it eviscerates the Ontario Energy Board, which is essentially an agency that is there to protect consumers as well.

We see in this act 21 separate sections that give the minister the power to make the decisions. In your time in office, did you ever see a bill that granted this much power to the minister with regard to making the decisions, as opposed to a board that had been set up to protect consumers and the electricity system in the province of Ontario?

Ms. Ruth Grier: I'm not sure I can remember all of the various pieces of legislation in a way that I could answer that substantively, but the whole question of the way in which approvals are to be granted under this bill is of concern more generally, though I have focused on the Niagara Escarpment Commission.

I guess part of my experience has always been that while it may take a bit more time, if you do things in some consultative manner and involve people in it, you end up with a better decision in the long run, or as they say where I was born, "The longest way around is the shortest way home." That's an Irishism that doesn't always apply, but sometimes it does.

I think that, with respect particularly to the area I'm speaking to today, the Niagara Escarpment, when you look at their record, both of expeditious dealing with applications and not being a particularly bureaucratic or slow process, then it certainly deserves consideration, as in looking at how the act is administered. I'm sure you'll hear from many municipalities who share some of the concerns that you've outlined.

Mr. John Yakabuski: Would you agree then that this basically takes away that decision-making process from the Niagara Escarpment protection agencies and puts it in the hands of the minister?

Ms. Ruth Grier: Of course, the answer from the government is going to be, "Wait till you see the regulations." It is the fact that the power is there to do just that which I want to address and try to pre-empt that from being subject to regulation, but to be something that is in the bill, as you look at particularly sensitive areas, of which I would claim the Niagara Escarpment is the prime one.

Mr. John Yakabuski: Thank you very much for your presentation.

The Chair (Mr. David Oraziotti): Mr. Tabuns?

Mr. Peter Tabuns: Ruth, thanks for coming down and making a presentation. As you're aware, there are people who object to wind turbines in a variety of locations—for instance, those who don't think it would

be appropriate to have them off the shore of the Scarborough Bluffs. I actually think it would be a great location, if, in fact, there's enough wind there to support the wind turbines.

You're suggesting that we have to protect the Niagara Escarpment. What's the threshold line in your mind for saying, "This is an area that should be protected, and this is an area where, in fact, special protection isn't required"? Where would you draw that line?

Ms. Ruth Grier: If it was up to me, I would probably begin to look at crown lands and provincial parks and areas that have been particularly identified as being special. That's why in my remarks I focused on the biosphere reserve. We have nine biosphere reserves in Ontario. I'm not sure I can ream off where they are, but the Niagara Escarpment was the first and is the one that I think is most internationally renowned because it is so unique, and as it is becoming more and more urbanized up to the escarpment, it is evermore important that it be protected in as wide a way as possible.

Mr. Peter Tabuns: Thanks.

The Chair (Mr. David Oraziotti): Thank you, Mr. Tabuns. Ms. Broten?

Ms. Laurel C. Broten: Thank you for coming, Ruth. As I understand it, in 2004, when the Niagara Escarpment Commission took a look at this and developed their renewable energy policy, where they landed was that personal use was allowed, in terms of wind power, but not commercial use. I wondered whether you viewed a distinction between personal, commercial—and what about co-operative and the community-based power initiatives that we see coming out of communities? Would you define those as being within the personal category? I'm trying to figure out how this would work. The second question is, are there any technologies other than wind—bio, gas or any other technologies—that would be acceptable within the biosphere?

Ms. Ruth Grier: I'm not sure that I can answer that in detail. The escarpment commission, in looking at their policy, while they certainly articulated their concern about commercial, I'm not sure they looked at ownership necessarily as being the criteria. They looked at the various areas of protection within the plan and felt that in the most protected area it would not be acceptable, but in some of the escarpment—rural—that it might be.

Their practice over the 30-plus years has been to look at each application on its merits. So there have been some cases where they have approved an application for a single wind turbine or a communications tower, others where they have not, and then there is an appeal process beyond that. I think they examined whether or not such an application would require an official plan amendment or could be done by way of a development permit.

I think there's room for some discussions with the commission. I merely wanted to flag that I think as a member of the public, as a Bruce Trailer and all those things, there are a great many people in this province who see the value of the Niagara Escarpment and would

like to make sure that it doesn't just get lumped in with everything else when you're looking at a Green Energy Act.

Ms. Laurel C. Broten: So when I look at the Green Energy Act, I think that it doesn't alter the plan and policies or the authority of the NEC, but simply adds in that renewable energy is a permissible use. In those past decisions, it's my understanding that the escarpment plan allowed consideration of landscape vistas and when some towers were not allowed, that was really the issue that was examined. Am I right?

Ms. Ruth Grier: Right, or they frequently work with the proponent to find a more acceptable location for it. It is the definition of "utility" that is changed by the act, and then the additional addendum and their transmission lines. Frankly, I don't know how anybody is going to determine whether a transmission line is particularly from a renewable energy project or—for example, Bruce nuclear wanted to build transmission lines across the escarpment in a couple of places at some point. Debate about whether this is a renewable energy because it has nuclear plus some green energy is going to be a very nasty one, and the whole concept of major transmission lines and major wind farms is going to require significant clearance of what is essentially a wooded environment. So I think that while there might be some room to consider some small wind projects, on balance it's an area that, on its merits, deserves some significant and unique protection.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. That's all the time we have for questions.

ONTARIO WATERPOWER ASSOCIATION

The Chair (Mr. David Oraziotti): Our next presentation is the Ontario Waterpower Association, Paul Norris. Good afternoon, Mr. Norris. Just state your name for the purposes of Hansard. You have 10 minutes for your presentation, and you can begin when you like. There will be five minutes for questions from members of the committee.

Mr. Paul Norris: Thank you. They're just distributing the packages. You'll find a written copy of my deputation on the right-hand side folder of the package if you want to read along. You'll also find a copy of our submission to the EBR posting behind that.

Good afternoon, Chair and committee members. My name is Paul Norris, and I am president of the Ontario Waterpower Association. We are a non-government organization representing the operators and developers of the province's primary source of renewable energy: water power.

I'm pleased to have the privilege today to provide input to your deliberations on Bill 150, the Green Energy and Green Economy Act. Our association has been actively involved in contributing to the modernization of the province's legislative, regulatory and policy framework to encourage sustainable renewable energy de-

velopment and responsible water resource management. While the proposed legislation holds great promise for advancing the government's energy, economic and environmental objectives, experience has shown that good intent must be accompanied by real and measurable change. This, I would argue, is most evident in the frustration common to proponents of water power projects in Ontario who, over the last decade, have attempted to invest in new renewable energy only to encounter impediments that have significantly restricted their ability to do so.

1510

As you may be aware, in 2002, our association embarked upon a class environmental assessment for water power projects, culminating in its approval by the Minister of the Environment in October 2008. The class EA has as its fundamental principle a "one project, one process" model that integrates all appropriate provincial and federal requirements associated with planning a water power project in Ontario. Importantly, it was developed with the active involvement and support of key provincial and federal agencies. Its preparation also considered the input and advice of aboriginal interests, non-government organizations and the public. Our advice here today, therefore, is informed by our significant investment in and leadership of an initiative consistent with the government's stated intent.

I have six specific recommended amendments to the bill to offer, and they're organized in the order in which they appear in the draft legislation. So if you have your draft in front of you, I'll refer you to the appropriate sections.

First, recognize and enhance Ontario's existing renewable energy production. The reference here is to schedule A under the preamble. Ontario's electricity system is characterized by its diversity. Multiple sources, including water power, satisfy our electricity demands. Until the early 1950s, almost all of these needs were met by water power. Today, Ontario's 194 water power facilities account for approximately one quarter of the province's installed capacity and electricity production.

Water power plays a unique role in the province's overall system mix. It provides baseload and peak-load generation. It has proven critical to system reliability and led Ontario's recovery from the blackout in 2003. It provides voltage support, black start and other ancillary services. Looking ahead, the province's reliance on the attributes of water power generation is expected to increase.

As perhaps best articulated by the Independent Electricity System Operator: "Ontario's future generation supply mix will place an increasing reliability value on the flexibility of generating assets to provide load-following capability, operating reserve and automatic generation control. Preserving operating flexibility of hydroelectric generating facilities, whether old or new, should be a critical consideration."

Our recommended amendment to the preamble, therefore, is as follows:

"The government of Ontario is committed to enhancing the contribution of existing renewable energy generating facilities and fostering the growth of renewable energy projects which use cleaner source of energy, and to removing barriers to and promoting opportunities for existing renewable energy generating facilities and new renewable energy projects and to promoting a green economy."

Second, empower the office of the renewable energy facilitator. The reference here is to schedule A, part II, paragraph 1 of subsection 10(2). While the establishment of the office of the renewable energy facilitator is welcomed, it's unclear to us how the office will hold to account the achievement of the province's renewable energy objectives as presumed in the act. Given the prospect that project-level decision-making will reside outside the legislative authority of the Ministry of Energy and Infrastructure, it is imperative that this office have the ultimate responsibility for monitoring and reporting on progress. It is therefore strongly recommended that such requirements be added to the objects of the office. By way of comparison, provisions similar to those under the Environmental Bill of Rights Act with respect to the functions and reporting requirements of the Environmental Commissioner could serve as a useful template in this regard.

Our recommended amendment to schedule A, part II, subsection 10(2) is as follows:

"To facilitate the expeditious development of renewable energy projects and to report annually to the minister on the achievement of the renewable energy objectives of the act, including the identification of impediments thereto."

Third, maintain Ontario's current prudent approach to environmental hearings, with reference to schedule G, part V.0.1, section 9. For many years in Ontario, environmental approval hearings have been recognized as an inefficient last resort. While it is true that in rare cases the time and expense of a hearing is necessary, reducing the frequency of hearings has been one of the principal thrusts of previous waves of government streamlining initiatives, particularly with respect to private sector energy development and environmental assessments. Currently, the much more costly and time consuming individual EA process is available only at the discretion of the Minister of the Environment, and that discretion has been exercised with caution.

Similarly, the current process for third party appeals of approvals issued under the Environmental Protection Act and the Ontario Water Resources Act provides a threshold process designed to screen out proposed appeals that do not merit the time and expense of a full hearing. In short, a party must first demonstrate the basic merits of its case through a leave-to-appeal application before it will be granted a hearing. Bill 150 appears to trump that leave process entirely by providing a new third party appeal as a right, and in so doing eliminates the obvious benefits of a screening level review of the merits of each proposed appeal. That, in our view,

ignores the hard-earned wisdom reflected in Ontario's current cautionary approach to environmental hearings.

Our recommended amendment to schedule G, part V.0.1, section 9 is as follows:

"An interested person who has directly participated in the planning of the project ... may, by written notice served upon the director ... request that the director consider referring the renewable energy approval to a hearing before the tribunal. The director, at his/her discretion, may grant such a request in relation to a renewable energy approval only where the director reasonably believes, based on evidence provided by the interested party, that the approval will cause serious and irreversible harm to plant life or animal life of provincial significance or human health or safety."

Fourth, eliminate existing regulatory overlap and duplication. The reference is schedule H, the Ontario Water Resources Act. Water power projects have long suffered the duplicative requirements of water-related legislation, most notably through the Lakes and Rivers Improvement Act and the Ontario Water Resources Act. Specifically, the permit-to-take-water provisions of the OWRA have been widely recognized as redundant for water power. Given the 2001 amendments to the Lakes and Rivers Improvement Act that required the development and implementation of water management plans for water power facilities, water power projects are now doubly permitted for the same activity. The Green Energy Act provides the legislative opportunity to rectify this overlap.

Our recommended amendment to schedule H is the addition of the following:

"Section 34.1, subsection (3), of the Ontario Water Resources Act does not apply to the taking of water with infrastructure regulated pursuant to section 23.1 of the Lakes and Rivers Improvement Act."

Fifth, incorporate all relevant provincial approvals into the renewable energy approval model. The reference here is to schedule L, clause 6.

While it is apparent in the proposed legislation that the approvals required for a renewable energy project under the authority of the Ministry of the Environment are to be integrated, the same cannot be said for those under the legislative authority of the Ministry of Natural Resources. This exclusion is particularly relevant to water power projects, which are, without exception, subject to the provisions of MNR's legislation.

Consistent with the one-window approach to enable renewable energy projects and provided that the recommended appeal provisions are amended, MNR's interests that are of direct relevance at the planning stage of a project should be integrated into the proposed renewable energy approval.

Our recommended amendments are as follows:

"13.2 The minister may require that that the proponent of a renewable energy project, as defined in section 1 of the Green Energy Act, 2009, provide to the minister the information ... that the minister considers necessary to

inform the decision of the director under subsection 47.5(1) of the Environmental Protection Act."

Further: "13.2(1) The minister shall issue a permit or approval under an act for whose administration the minister is responsible ... within 180 days of the issuance of a renewable energy approval under the Environmental Protection Act."

Finally, expand resource access for aboriginal community benefit. The reference here is to schedule L, clause 20.

New water power development in Ontario is integrally related to the participation of aboriginal communities. In this regard, the Ontario Waterpower Association, in collaboration with provincial agencies and aboriginal organizations, has made substantive investment in building the capacity of interested communities. It is of significant concern, therefore, that the provisions of the proposed legislation with respect to access to water power resources do not advance the opportunity for recognized yet constrained potential.

There are significant water power opportunities in northern Ontario. Much of it is constrained within provincial parks, which are regulated under the Provincial Parks and Conservation Reserves Act or are subject to other policy constraints, such as those related to the northern rivers and the Moose River basin.

Given that the stated intention of the bill is to remove barriers, consideration should be given to incorporating mechanisms within the bill that allow the release of this constrained potential. Specifically, the bill's proposed minor amendment to the Provincial Parks and Conservation Reserves Act fails to enable aboriginal community participation in commercial renewable energy opportunities, despite the clear positioning of renewable energy as a key to aboriginal economic prosperity. A relatively minor amendment to the bill would rectify this issue.

Our recommended amendment is as follows:

"19(2) Despite section 16 and subject to the approval of the minister, facilities for the generation of renewable energy may be developed in provincial parks and conservation reserves for the benefit of aboriginal communities."

This concludes our recommendations. Thank you. I'd be pleased to consider questions.

The Chair (Mr. David Oraziotti): Thank you very much, Mr. Norris. We have about a minute and a half for each caucus. Mr. Tabuns.

Mr. Peter Tabuns: Thanks for the presentation today. What's the total capacity of the constrained generation out there? Have you done an analysis?

Mr. Paul Norris: Yes. The integrated power system plan that was tabled in the fall identified about 1,000 megawatts of water power potential that was currently constrained in parks and protected areas. The power system plan included about 2,000 megawatts in the Moose River basin and the northern rivers.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Mrs. Mitchell.

Mrs. Carol Mitchell: Thank you very much for the presentation. Your first recommendation and the ability to deal with load: Give me a sense of how water generation would deal with that. I know you can hold some of it off, but just give me a sense of how much more potential there is out there for dealing with that issue—because I agree.

1520

Mr. Paul Norris: Again, the IPSP identifies about 3,000 megawatts out of 6,000 megawatts that it identified as potential. We would advocate for about 5,000 megawatts, if you dealt with the constraint that Mr. Tabuns identified. But if you follow the load profile on any given day in the province of Ontario and the profile of hydro production, it's identical. Hydro is your flex fuel.

The Chair (Mr. David Oraziotti): Mr. Yakabuski.

Mr. John Yakabuski: I had a similar question. In my riding, there are about 1,200 megawatts of water power that either goes through it or borders it, and yes, it has quite a load-following capacity, which of course wind does not. There seems to be much more focus in this Green Energy Act by the government on wind as a renewable source of power, yet we have no ability to dispatch that.

I also want to ask you, apropos of Peter's question, if the constrained generation in northern Ontario—what would be required, in your opinion, with respect to new transmission, in order to unconstrain that generation?

Mr. Paul Norris: One of the real progressive steps forward we've seen in the Green Energy Act is the concept of enabling transmission. It wasn't the integrated power system plan to facilitate renewable energy generation. So if you go back even to the filed IPSP, it does identify transmission corridors that would be required to liberate generation. That is where it is, for all intents and purposes. It is a bit of a chicken-and-egg scenario, but I think we're seeing some strong inroads toward solving that long-standing issue.

Mr. John Yakabuski: Where do you see the price and the FIT, the feed-in tariff, with respect to water power?

Mr. Paul Norris: We're actively involved in the conversations right now with the Ontario Power Authority. They're having a series of consultations over the next four or five weeks, and you can be sure we'll be bringing forward the attributes of water power in those discussions.

Mr. John Yakabuski: And can you do it for small water power—less than half a megawatt?

Mr. Paul Norris: Yes. When I said Ontario has 194 generating facilities now, about 50% of those facilities are under 10 megawatts.

Mr. John Yakabuski: What about the ones under half a megawatt?

Mr. Paul Norris: I would say there are probably still 30 or 40.

The Chair (Mr. David Oraziotti): That's all the time we have. Thank you very much for your presentation.

CONSERVATION COUNCIL OF ONTARIO

The Chair (Mr. David Oraziotti): The next presentation is the Conservation Council of Ontario, and Chris Winter. Good afternoon, Mr. Winter. Just state your name for the purposes of our Hansard. You have 10 minutes for your presentation, and there'll be five minutes for questions from committee members. Go ahead when you're ready.

Mr. Chris Winter: My name is Chris Winter. I'm the executive director for the Conservation Council of Ontario. I thank you for the opportunity to address this committee.

The Conservation Council of Ontario is a 58-year-old association of provincial organizations, businesses, municipalities and individuals working to promote conservation in Ontario.

Our vision is Ontario as a conserver society. Our principal strategy is to build a united conservation movement across the province. Together, we conserve.

Although we define conservation as the art of living lightly on this earth, and we have 10 top priorities including using green power, for this presentation I want to focus exclusively on electricity conservation.

The provincial average for electricity consumption is about 1,000 kilowatt hours a month. In our house, we use less than 350.

On a peak summer day, electricity consumption rises about 25% above the typical load. That's an increase of over 5,000 kilowatts because we want to keep our homes and our buildings at temperatures below 25 degrees.

Ontario's goal for electricity conservation is a mere 6,300 kilowatts of peak power by 2025—a fine target if you're thinking of delivering discrete conservation programs, but wholly inadequate if your goal is a culture of conservation.

At the Conservation Council of Ontario, we believe that if we really applied ourselves to the task, we could achieve the first goal by 2015 through discrete programs, and reduce our peak load to 20,000 kilowatts by 2025 through deep-rooted cultural transformation. In the same way, we believe Ontario could achieve 20,000 kilowatts of renewable power by 2025—essentially, a renewable grid.

These are what we call stretch targets. They represent a departure from business as usual and a departure from complacency, but if we are able to achieve them, we will give our children energy security, economic resiliency and local green power—noble goals.

Now, I won't hold anyone to meeting these targets, but I do expect that we all make our best effort to make conservation the first priority in our energy future. Conservation is everyone's first option, so let's get on with it. Over the past five years, Ontario has made some excellent steps forward on conservation by establishing the Conservation Bureau, strengthening the building code, empowering local distribution companies and introducing differential pricing based on consumption.

Over the next five years, we need to introduce a more comprehensive transition strategy to a conserver society, including a combination of legislated standards, pricing, incentives, voluntary leadership and community engagement. Do this and up to 25% reduction in electricity consumption can be met at a cost far below the investment cost in new nuclear plants.

The Green Energy Act, much like the Energy Conservation Leadership Act that it will replace, is intended to give a much-needed boost to conservation. It's here that I have to admit I've had some difficulty in trying to fit the Green Energy Act into my understanding of a voluntary transition strategy. I've had to go back to first principles to come up with some recommendations.

Legislation typically seeks to set boundaries and penalties on undesirable behaviour. It also prescribes fiscal instruments and planning processes that we hope will lead to better decisions and behaviour. With respect to renewable power, the Green Energy Act lays out the fiscal instruments and removes many of the barriers to accessing the grid. With respect to conservation, the Green Energy Act lays out a number of prescribed activities, including energy labelling for homes, designating conservation goods and services and municipal and other conservation plans. It also empowers the province to issue future directives to agencies and municipalities to promote conservation.

But the pricing for conservation is still unclear. There are two elements to conservation pricing: penalties for over-consumption and financing for conservation incentives and programming. Ideally, the first, penalties, pays for the second, and a conservation fund would naturally sunset once the conservation targets have been met. Currently, residential customers who use in excess of 1,000 kilowatt hours per month pay a premium of 0.9 cents per kilowatt hour. The surcharge, however, is not used to fund conservation, but instead is used to lower the overall rate. With smart metering and time-of-use pricing, there is no clarity as to whether or not the overall consumption surcharge will be retained. It should be retained and integrated into a funding mechanism for a provincial conservation fund.

In schedule B, subsection 5(2), amendments to the Electricity Act now allow the minister to direct the OPA to undertake an initiative related to conservation or the reduction in electrical demand. The minister may also specify the pricing or other economic factors to be used or achieved by the OPA. As I understand it, this may be the instrument whereby the minister can instruct the OPA to establish a rate-based conservation fund.

I can't give you the level of detail required to set up a rate-based conservation fund in this process, but I know it's where we need to go. We need a conservation surcharge based on over-consumption with a regular reduction in the threshold from 1,000 kilowatt hours a month down to 500 kilowatt hours a month.

I'd also note that a conservation surcharge is consistent with the recommendations of the Macdonald report, some 13 years ago, to redirect the stranded debt

charge into conservation and other programs once all the cost overruns of the old nuclear plants are paid down. Of course, we're still paying them down.

In addition to providing the direct revenue for conservation programs, rebates and incentives, a conservation fund would finally allow Ontario to make a significant investment in the culture of conservation. Here I want to make a comparison: Ontario invests \$40 million per year into arts and theatre through the Ontario Arts Council. Last year, the OAC supported 1,300 individual artists and 874 organizations in 252 communities across Ontario. The culture of conservation needs a similar investment. Our preliminary work shows that a similar \$40-million-per-year investment would fund 100 centres of excellence, establish community conservation networks in 200 municipalities, which would support and help the municipal conservation plans, and provide summer employment and entrepreneurial opportunities for students. All told, it would create up to 2,800 full-time, part-time and summer jobs at a cost of only 0.05¢ a kilowatt hour.

1530

In the end, I'm left with the same promises I had three years ago when the Energy Conservation Leadership Act was introduced. The tools are there, and we're still awaiting the serious dialogue around moving beyond simple programs to investing in the transition to a culture of conservation.

In the end, I'm here today to support the specific actions and enabling measures, as I see them, in the Green Energy Act. This is an excellent step in the right direction.

The angel is in the details. So let's get a move on.

Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mrs. Mitchell.

Mrs. Carol Mitchell: Thank you very much for your presentation. Earlier we had a presentation by an organization called Better Place. They talked about the electric car. If we use pricing structure as a conservation tool, how do you see the electric cars being a part of that if they exceed certain—residential use versus the offset of the climate change?

Mr. Chris Winter: It's one of those huge transformations, where you need both the investment and the infrastructure, and you need the cultural shift as well. You need people to say, "I want and I am going to use those electric cars." It requires a bit of a transition in the way that we see our commuting habits—like the early cellphone. I think they made the analogy in Better Place that you couldn't have the cellphone if you didn't have the grid or the network in place to send a signal. So you need to invest in the infrastructure of the refuelling stations before you have the cars sold and people will use them.

Mrs. Carol Mitchell: I think I'm going to be a little more specific.

Mr. Chris Winter: Please.

Mrs. Carol Mitchell: So it's 1,000 kilowatts, and residential use versus moving towards—

Mr. Chris Winter: Gotcha.

Mrs. Carol Mitchell: So that was the discussion. If you consider that pricing structure, how do you see the electric cars being a part of that?

Mr. Chris Winter: I think you'd have to look at it as a shifting. I would see the 1,000 kilowatts as a surcharge as being the baseline and the starting point of the discussion. That would be one of the areas where you might want to look at some flexibility. The other is low income and people who only use electricity for heat. You need to have measures within that to accommodate the fluctuations in different situations. So I would say, as a starting point, you say 1,000 kilowatt hours a month. You're going to ratchet it down over time as we're promoting efficiency, and where you have programs that you want to promote, like electric cars and use of the grid to get cars off oil and on to electricity, then you make adjustments in the program.

The Chair (Mr. David Oraziotti): Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Mr. Winter, for joining us today. Interesting stuff. I'm intrigued and amazed by your electricity usage numbers. I don't want to be seen as too personal, but I do have to ask you a couple of questions, because we have to compare you to the average—the makeup of your household, the number of adults and children?

Mr. Chris Winter: Two adults, one child and occasional students.

Mr. John Yakabuski: Amazing. And do you live in a free-standing home?

Mr. Chris Winter: Semi-detached.

Mr. John Yakabuski: Semi-detached. Wow.

Mr. Chris Winter: No air conditioning, energy-efficient appliances, air-drying laundry. And like yourself—I remember the comments you made when the act was introduced and you started with your energy conservation efforts.

Mr. John Yakabuski: You're in a different world. But my wife hangs clothes in 40-below weather. We don't use the dryer unless it's absolutely essential.

What's the size of your home?

Mr. Chris Winter: I couldn't tell the square footage. It's a modest semi-detached.

Mr. John Yakabuski: And how old is it?

Mr. Chris Winter: It's 1937.

Mr. John Yakabuski: Okay, so it's not modern. Well, I guess we'd have to see how that works with the average. But 350 kilowatt hours a month—we're not even getting anywhere near that. When I talked about reducing our energy usage, it was pretty easy for us because we were probably in the category of being energy wasters. So the first part of it is pretty easy, but I am intrigued about that.

I just want your opinion on a couple of things when you talk about conservation. First of all, the smart meter legislation is only going to be time-of-use meters, basically. It might change the time of day that you use

energy, but it's not likely to change necessarily on its own the amount of energy you use. You already touched upon those who heat their homes with electricity, which you'd have to have some allowances for. But also, how do you feel—there's a controversy. Some people don't like the idea; I know the NDP has spoken against it—about the issue of sub-meters in rental buildings, making every tenant responsible directly for their power use? How do you feel about that, Mr. Winter?

Mr. Chris Winter: First of all, on the time-of-use metering versus total, one of the things I want to make sure is maintained is the surcharge on total consumption so that we don't lose it when we move to time-of-use; we maintain both aspects. Time-of-use metering is good for conservation in that it is giving people information. The more information they get and the more they see the meter spinning around, the more they're going to say, "Hmm, maybe I should conserve." So, in general, it does support and promote conservation. The pricing is going to be a key instrument as well.

Mr. John Yakabuski: Thank you very much for your presentation, sir.

The Chair (Mr. David Oraziotti): Mr. Tabuns may have some questions for you.

Mr. Peter Tabuns: Thanks for the presentation. The calculation in here: You have a goal of reducing our peak load to 20,000. Do you mean megawatts?

Mr. Chris Winter: Megawatts, sorry. Yes.

Mr. Peter Tabuns: What sort of scale of investment in conservation are you thinking of to make that goal?

Mr. Chris Winter: The investment in conservation that we've had so far has been programmatic through LDCs in the OPA—program delivered, results gained based on a \$1,000-per-kilowatt reduction. There's another element that we need to bring in, which is that cultural notion. In the same way that we have a social service sector that is at the front lines of helping people in communities, we need to have that same investment in conservation, which requires that we're investing in groups as centres of excellence, whether it's a centre of excellence like a green community in a neighbourhood, with staffing and the ability to help people, or it's a centre of excellence in a particular skill, like WindShare—or Our Power is doing solar panels and helping communities make that transition. So there are the skills and there are the community-based resources. We haven't done that, but we don't need to power up and create a whole new social sector, because what we're also finding is that the social sector, the voluntary sector as a whole, is gung-ho on going green. You find churches, faith groups, cultural associations, residents' associations—they're all part of the green movement. It's a matter of very subtly finding ways of supporting and aiding that transition. That's what I'm talking about when I'm saying we need to create a united movement, and it goes well beyond the delivery of simple programs from LDCs or the OPA.

The Chair (Mr. David Orazietti): Thank you very much. That's all the time we have for questions. Thank you for your presentation, sir.

ST. MARYS CEMENT

The Chair (Mr. David Orazietti): The next presentation is St. Marys Cement. Gentlemen, good afternoon. Please state your name for the purposes of recording Hansard. You have 10 minutes for your presentation and there will be five minutes for questions from committee members. You can begin when you're ready.

Mr. Martin Vroegh: Thank you very much, Chairman and committee members, for providing St. Marys Cement the opportunity today to speak on matters referring to Bill 150, the Green Energy and Green Economy Act. As introduced, I'm Martin Vroegh, corporate environment manager at St. Marys Cement. St. Marys Cement is the largest manufacturer of cement in the province of Ontario, producing over 2.7 million tonnes of cement per year at our Bowmanville and St. Marys, Ontario, facilities.

Our company plays an important role in maintaining a vibrant and competitive economy in the province of Ontario. We generate over \$500 million of economic activity in the province and provide over 1,200 well-paying jobs. We make important contributions to provincial and municipal tax rolls, as well as additional contributions to the communities in which we operate. Our most important contribution, however, is providing the province of Ontario with a secure, strategic supply of cement to support the renewal and greening of the province's vital infrastructure.

I know your time is valuable and I hope that you will have questions following my presentation. As such, my comments will be brief and will cover three areas: general comments on the act, an overview of the cement sector and the important contributions it can make to achieving the Legislature's objectives under this act, and conclusions relating to the need for changes to the act to facilitate those contributions from the cement sector.

1540

Let me start by congratulating the government of Ontario on the introduction of Bill 150. This is an important and overdue piece of legislation which will provide the framework for promoting the development of renewable electricity projects, encouraging more efficient energy use, and for assisting Ontario in the transition to a low-carbon electricity future, one which is not dependent on imported fossil fuels.

Such objectives have been articulated before in Ontario and other provinces. What makes this act different and so significant is the attention the government of Ontario is dedicating to identifying and eliminating the long-standing barriers to renewable energy projects, namely:

—the proposals to fast-track the project review and approval process;

—addressing not-in-my-backyard syndromes that have become so prevalent in the province;

—establishing a one-stop shop for certificates of approval and renewable energy projects;

—rationalizing the appeal process under the Environmental Review Tribunal; and

—creating a renewable energy facilitation office to break down government barriers, at all levels, to project implementations.

These proposed actions are important. Without such meaningful actions, the government's ambitious green goals will amount to no more than empty rhetoric.

We also offer strong support for the commitment to create a building code energy advisory council, and place an explicit focus in the building code on energy conservation through mandatory standards. Buildings constructed from concrete offer substantial energy efficiency benefits over alternatives, and we have no doubt that this measure alone will make an important contribution to sustaining a healthy cement manufacturing sector in Ontario.

To the degree that we have concerns with the proposed act, we would appreciate that the committee pay attention to the potential impacts this act will have on electricity prices in Ontario. As major industrial electricity consumers, we wish to point out that there is a need for this act to include appropriate mechanisms to ensure that Ontario's manufacturing sector will have access to reliable and competitively priced electricity to sustain our operations.

Let me talk about St. Marys Cement and how we, too, could make important contributions to achieving the objectives of this proposed act. First, it is important for the committee to understand that cement manufacturing is an energy-intensive activity. Significant quantities of heat are needed to sustain temperatures in excess of 1,400 degrees Celsius to melt limestone and turn it into a cement product.

Cement manufacturing in Ontario is also highly carbon-intensive. Currently, the industry relies on petroleum coke and imported coal to meet over 95% of its primary energy needs, but it doesn't have to be that way. With their high temperatures and prolonged combustion chambers, cement kilns are ideally situated to process a wide variety of alternative and renewable energy sources.

For example, in western Europe, nearly half of the cement manufacturing sector's energy needs are met with fuels other than coal, coke or other primary fossil fuels. In some instances, cement plants in Europe and elsewhere meet over 80% of their energy needs with alternatives to primary fossil fuels. Such fuels include animal meat and bone meal; wood waste and agricultural residues; non-recyclable papers; municipal biosolids; even sorted and processed municipal solid waste, which can contain over 40% biogenic components.

These alternative fuel sources are widely used in Europe, across the United States and even in the provinces of Quebec and British Columbia. Their use by the cement sector is done in a manner which respects

human health and the environment, and without causing increases in key pollutants, such as NO_x, SO₂, persistent organic pollutants, mercury or other volatile metals. In addition to reducing the environmental footprint of cement manufacturing operations, the use of such materials can assist in managing municipal waste and industrial by-products, and in some cases, even improve the competitive position of the cement manufacturing sector.

Despite the potential benefits, none of these alternative energy sources are utilized within the cement manufacturing sector in the province of Ontario. In short, there are three reasons such alternative and renewable energy sources are not employed within this sector. First, many such materials are simply not available to the cement sector. Despite our supposed societal emphasis on the environment and waste management, it is astounding how poorly wastes are actually managed in the province and the rest of Canada. In short, landfill remains relatively cheap and widely available. In Europe, there is simply no possibility for specified risk materials, municipal biosolids, wood waste or other organic materials with high calorific value—considered resources—to find their way into landfills, period.

Second, even if such materials were available to the Ontario cement sector, there are significant obstacles that must be overcome—everything from NIMBYism; lengthy, costly and uncertain assessment approval and appeal processes; a need to navigate a myriad of regulatory hurdles within disparate branches of the Ministry of the Environment and across provincial departments; as well as municipal and federal orders of government. All these work against companies like St. Marys Cement risking the necessary capital investment to source, contract and process such energy sources.

I'm sure much of this sounds familiar to the committee members. They are the very same issues that have paralyzed the renewable electricity sector and which the government of Ontario is seeking to address on behalf of that sector through this important act.

At this point, I'd like to illustrate my point through a short example. In the GTA, the province has offered financial and logistical support to a company that produces fuel pellets out of sorted and processed municipal solid wastes. While not fully renewable, the biogenic component of these fuel pellets is significant and would make an important contribution in reducing greenhouse gas and other emission from the coal-dependent cement sector.

While we've been in discussions with the fuel pellet manufacturer, the barriers to utilizing the pellets in either of our Ontario cement manufacturing facilities are insurmountable, given the present policies and processes. We are currently discussing ways of using the fuel pellets at our operations in Michigan instead. In short, Ontario's energy policies with respect to the cement sector force us to continue our reliance on imported, carbon-intensive coal while the province's valuable resources are exported to the detriment of the environment and competitive position of Ontario industry.

Economics: So far I've talked about obstacles to the utilization of mixed composition energy sources and fully renewable sources such as biosolids and animal bone meal, which are by-products of industrial municipal operations. While many of the same policy and process issues would arise, the main barrier to their utilization in cement is the same barrier faced by the electricity sector, which is addressed by this act; namely, the economic barrier. For example, a tonne of wood contains about half as much energy as a tonne of coal. At the same time, a tonne of wood currently costs twice as much. In other words, our energy bill, which is already 40% of our marginal operating costs, would quadruple if we attempted to combust wood. In an open, competitive marketplace for cement, this economic hurdle is insurmountable without some form of intervention from governments.

And that is our point. When it comes to support for combusting renewable biomass for electricity generation, governments are stepping in with significant direct and indirect incentives. In support of the objectives of this act, Ontario recently proposed price guarantees or so-called feed-in tariffs for producers of renewable electricity from wind, solar, landfill wastes and biomass, yet the province offers nothing to support the utilization of biomass as renewable thermal heat energy to drive the province's energy-intensive manufacturing sectors such as green infrastructure building cement. It is worth noting that an average windmill uses about 300 cubic metres of concrete to construct.

In conclusion, Mr. Chairman and committee members, I hope that I've left you with an understanding of the potential contribution that energy substitution at St. Marys Cement can make to these objectives. In short, for every tonne of imported carbon-intensive coal we can replace with an equivalent amount of low-carbon alternative and renewable energy sources, we will avoid approximately 2.5 tonnes of CO₂ emissions from our cement manufacturing operations. Realizing this opportunity, however, will require the Legislature to dedicate the same attention to the promotion of green thermal energy as is dedicated to the promotion of green electrical energy under this important act which we are discussing here today. The barriers and solutions to facilitate green transition and cement energy are the same as discussed in this act to facilitate green electricity in the province.

Committee members, as you continue your work on this important piece of legislation, I ask you to reflect on what I've said today and look for opportunities to extend the scope of this bill and proposed measures to ensure a level playing field is provided for green heat energy. Such measures will reduce the environmental footprint of our operations, reduce our reliance on imported coal, strengthen the competitive position of our operations, address waste management issues in the province and support the emergence of new economic activities associated with the growth and production of dedicated renewable energy, forest and agricultural crops.

Thank you again for the opportunity to tell our St. Marys Cement story. I welcome any questions that you may have.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. O'Toole?

Mr. John O'Toole: Thank you very much, Martin; a pleasure. As well, I would say, Mr. Kennedy, we met just recently on this and we appreciate the information here today.

Just to have you repeat, you're really looking for the opportunity—I know there's a pilot activity at the location in my riding; it's posted on the Environmental Bill of Rights. What's the feedback so far? It's my impression you've had a couple of public information sessions.

Mr. Martin Vroegh: Yes, we've held a total of five public information sessions; two at our Bowmanville area and three at our St. Marys, Ontario, area.

Mr. John O'Toole: And the reception generally from the public—you're explaining the BTUs and all the other technical stuff to them. Are they very receptive or do they see the options?

Mr. Martin Vroegh: Generally, they're very receptive. Certainly, the people who are showing up for the information sessions tend to be concerned; they have questions. We've addressed all of those concerns. They primarily tend to do with things like what our emissions are going to be if we burn things that, for example, may contain chlorinated plastic, or plastic that may contain chlorines, when dealing with things like wastes.

1550

The main thing that we make a point of stressing is that in a cement kiln, 95% of what's going into the cement kiln is not fuel, as opposed to any other form of energy from waste. So a very small portion of what's actually going in is creating emissions.

Mr. John O'Toole: I'd like to make the point about the importance of cement to our industry and infrastructure. It's very important. Thank you for the work you do.

The Chair (Mr. David Oraziotti): Thank you, Mr. O'Toole. That's all the time we have for questions. Mr. Tabuns?

Mr. Peter Tabuns: Thank you very much for the presentation. Is the cement industry looking at the generation of electricity from waste heat from your operations?

Mr. Martin Vroegh: We do look at that. However, the cement industry, being the type of industry that we are, has utilized the majority of heat that we have, and we're left with very low-grade, low-temperature heat—large volumes of low-grade heat, but typically in the 200-degrees-Celsius area. So it's not really adequate to turn into steam and spin a turbine for electricity. We recover the majority of all of our waste heat and use that for preheating our cement before it goes into the kiln.

Mr. Peter Tabuns: Thanks.

The Chair (Mr. David Oraziotti): Mr. Mauro?

Mr. Bill Mauro: Gentlemen, nice to see you again. Thank you very much for coming this afternoon and for your presentation.

As you mentioned, the production of cement is quite energy-intensive. What percentage of your total input costs would you say are associated with generation of energy?

Mr. Martin Vroegh: Our energy bills run between 40% and 45% of our total costs.

Mr. Bill Mauro: Total input costs. You were implying in your comment—well, actually, you weren't implying; you were stating pretty explicitly that there are restrictions on some of the alternative fuels that you would like to use, that I'm assuming would be cheaper energy sources for you, and that there are restrictions on some of those alternative fuels that you would like to use.

I'm looking at your chart on page 7 in the handout that was given to us. It shows 97% of the energy in your industry is produced with fossil fuels, but you do show that about 3% is from alternative—waste—energy sources. What I gathered from your comments was that there are restrictions in place, so this must be referring to some waste energy sources that are not restricted. I'm just wondering what those are, as opposed to the ones you were talking about that are restricted. And is there an opportunity for you to get engaged with more of the ones that are clearly allowed here, according to your chart?

Mr. Martin Vroegh: The 2.8% you see on that chart is really grandfathered in from a long time ago, from one of our competitors. I'm not really up to speaking for what our competitors are doing, but they have been doing it for a significant period of time.

Mr. Bill Mauro: I guess my point is, it's not about whether it's you or a competitor, but it's showing that waste energy is allowed, though, and currently is being used in your industry. But much of your presentation was focused on the restrictions, and that's fine; maybe there's something we can do to help in that regard. But it is waste energy. So you're not sure what it is that they're doing that's generating—

Mr. Martin Vroegh: Well—

Mr. Bill Mauro: My bigger point, obviously, is that maybe it isn't as restricted as you believe it is.

Mr. Martin Vroegh: In slide 3, if you look there, you can see the red slice in that pie graph is miscellaneous waste fuels. I believe they're using a form of waste solvents that are from another industrial by-product, but I can't speak for what they're doing.

Interjection: Oily water.

Mr. Martin Vroegh: Oily water is another thing.

Mr. Bill Mauro: Okay, thank you.

The Chair (Mr. David Oraziotti): Thank you very much. That's all the time we have for your presentation.

Mr. Martin Vroegh: Thank you very much.

VCi GREEN FUNDS

The Chair (Mr. David Oraziotti): The next presentation is VCi Green Funds. Good afternoon. You

have 10 minutes for your presentation and five minutes for questions from committee members. Please state your name for the purposes of Hansard. You can begin when you're ready.

Dr. Tom Rand: My name is Tom Rand. First of all, I do thank you for the opportunity to speak today through the open public process. I'm very happy to be part of it.

As I said, my name is Tom Rand. I wear several hats in the renewable energy/clean tech sector. Primarily I'm director of a private equity fund that provides angel and venture capital for companies that develop promising technologies that reduce carbon emissions—so both renewable energy as well as energy efficiency.

I've written a book on the subject, *Ten Technologies to Save the World: Kicking the Fossil Fuel Habit*. I'm also team leader of the green bonds policy project, which is something I've been working on at the federal level for about a year and a half. It's also applicable at the provincial level, so I'll be speaking to that as well.

First, though, I have some very general agreements with the bill as I've seen it. First of all, I think feed-in tariffs are a very effective way of generating private sector involvement for renewable energy production that is aimed at the grid. That's a caveat that I'd like to address, but I'm generally very supportive of feed-in tariffs. Secondly, I'm glad to see grid-access language in the bill. I'm very curious to see the final form, because grid access is very important for two reasons: not just because it opens up geographical areas to renewable production, which I think is key, but even more importantly to me, if Ontario is to emerge as a leader in the green economy and be competitive around the world, it is going to be in developing technology for a smart grid. Nortel is in this province, so is Ontario Hydro, and I think we're clearly poised to take a lead there. Grid access will force the first stage of an evolution towards a smart grid. I think that's a very important first step because, in making our own grid smart, we'll develop technologies—we are positioned uniquely to play a leading role, more than any other niche within the green economy. I think it's very important. I couldn't overstate grid access and my support of that.

I do, however, have two key recommendations for which I have substantive analysis and backup which I can provide the committee upon request. At the risk of watering either one down, I will make two. The first is a way of supporting large-scale geo-exchange installations, geo-exchange being the heating and cooling of a building using the energy in the ground beneath that building. It is a renewable energy source, but it does not fall under the feed-in tariff. It reduces demand on the grid as opposed to supplying green electrons on the grid. I would recommend, from a bird's-eye view, that the Ontario government encourage private financing of large-scale geothermal installations by providing low-cost debt capital to match private funds—prime the pump, so to speak. I'll provide a rationale for that in a moment.

The second recommendation is that Ontario should issue an Ontario green bond, which is a way of engaging the public directly and which I could not overstate the

importance of. I will get to that in a second as well, but it generates low-cost debt capital and it can deploy low-cost debt capital while engaging the Ontario public directly in the transformation of our economy. I think it's very important to engage them directly.

My rationale behind my recommendation on geo-exchange is the following: I don't think I need to justify my assertion that geo-exchange is an extremely low-hanging fruit on the renewable energy tree. Any number of institutions have provided some analysis.

Anecdotally, I have a building that I'm involved with down on College Street, and we're transforming it from an abandoned building into the greenest hotel in North America. By "greenest hotel," I'm aiming for an 80% reduction in carbon emissions from business as usual, and to hit that target, geo-exchange is three quarters. Without geo-exchange, that building would be greenwashed, not green, in my view. So I cannot overstate the importance of the role that geo-exchange can play in reducing our carbon output. It is absolutely enormous.

It does not fit the feed-in tariff model, as I've mentioned. It produces energy, but it produces it locally within the building. It doesn't put it on the grid, so it doesn't fit that format.

Highly motivated developers like myself who are keen to reduce their carbon footprint are the early adopters of geo-exchange, but most developers are not installing geo-exchange; they are not motivated to. In a big condo building, that geo-exchange has a cost differential of \$10 million to \$15 million on a really big building, and they're not motivated to do it. So I think a solution to that problem is private sector financing of geo-exchange. It's a utility model. If it's a \$10-million cost, someone finances that; it's a no-brainer for the developer. Up it goes with geo-exchange. That's what I think it takes to make geo-exchange the norm and not the exception.

The problem, of course, is that private capital is reticent, to say the least, these days. It was reticent on geo-exchange on this model even prior to the credit crisis because it hasn't really been done before. Pension funds are the place where you would look to get this kind of money—long-term, stable returns. It can certainly be done and it has been shown that it can be done. But private capital needs to be pushed, so the government coming up with matching, low-cost debt capital to encourage the private sector to get into this space would accelerate that transition.

Commercial retrofits is just a really clear hole that's there. There are no subsidies for a building like mine. I think it was just an oversight because there are subsidies for almost every other form of geo-exchange. The commercial retrofit sector should be addressed.

My second recommendation, which is on a slightly different but related topic, is the Ontario green bond. Briefly, like an Ontario savings bond, it is backed by the government and sold to the public, but the important part of this recommendation is that this act is a great way of engaging people like me who are venture capitalists and a

great way of engaging energy producers, people who are developing the grid—insiders, essentially. We're very excited about this bill, but it doesn't really engage the general public, and I think a great way of doing that is to offer them a green bond, a way of directly participating and investing in the transformation of our economy to a green economy.

1600

We have done a poll nationwide on the green bond idea, and 82% of Canadians love it. Ontario had a similar figure. It was a nationwide poll. Sixty-one per cent say they'd buy it. The cost to government is minimal, and we've got a recommended way in which the funds are handled. I won't get into too many details, but essentially the funds are made available as low-cost debt capital to things like large-scale geothermal installations. The cost to government is very little. Defaulted loans are really the only risk that's out there. Private fund matching, feed-in tariffs: These all reduce that risk. We've churned the numbers, and the cost per tonne to the government of reducing carbon in this way compared to other direct subsidies is far, far cheaper. It's between \$1 and \$13 a tonne. The \$1 range is where the loan default rate is quite small, so I think that would be the cost to the Ontario government under the FIT program.

The end result is to accelerate deployment of renewable technology, but more importantly, to engage the public. The public is looking for a way to engage in this process, and it gives the government a really great announcement that everybody will be interested in when the green act comes out and not just energy geeks like myself.

That's it, so I'm open to questions.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns, you have about two minutes.

Mr. Peter Tabuns: Tom, thanks for coming down and thanks for making that presentation. Do you have a sense of the scale—I use geothermal, but geo-exchange is the same—of the amount of energy that could be displaced by geothermal in Toronto or Ontario?

Dr. Tom Rand: Yes. It depends on how you slice the market. If you include retrofits, it's absolutely enormous, but the bird's-eye view is that geothermal/geo-exchange will reduce, for example, my building's energy consumption by probably around 60% or 65% in total. That's about 75% of the heating-cooling load on the building, and energy use is something like 30% of our total energy use. You can multiply those numbers and you can get around a 20% total reduction with geo-exchange by itself.

Mr. Peter Tabuns: Very substantial.

Dr. Tom Rand: Yes.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Thank you, Mr. Tabuns. Ms. Broten.

Ms. Laurel C. Broten: On the geo-exchange model for homeowners, are you aware of the PowerHouse program, and are we seeing results? That was a two-year

pilot from Hydro One and Enersource Hydro Mississauga. Are you seeing results to demonstrate that zero-interest loans, low-cost loans, were moving that initiative forward?

Dr. Tom Rand: Yes, I think that project was a huge success from Ontario Hydro's point of view. It was a pilot project, so it wasn't very large.

I was actually going to write the PowerHouse project on this sheet. I didn't want to water down my message too much because I didn't want to focus on residential, but it was enormously successful. Rolling that out into commercial retrofits, I think, would be a great idea.

Ms. Laurel C. Broten: Are there any models that we can look to around the world that have moved aggressively on geo-exchange incentive programs?

Dr. Tom Rand: The best model I could point to is Sweden. As I understand it, 90% of their new buildings are geo-exchange.

In Canada, the best jurisdiction is Manitoba, which, if I remember correctly, is something like six times the per capita rate of installs that we have, and that was accomplished through two things. One was similar to the PowerHouse agreement from the utility side. They're motivated to sell green electrons to the United States so they're motivated to push that program. Government support was in the form of education. The government got behind the technology. So it wasn't the industry shilling for itself; it was a non-interested third party supporting those kinds of claims and saying, "Geo-exchange is a great way to go." So those are two examples.

Ms. Laurel C. Broten: And the Manitoba model is commercial properties?

Dr. Tom Rand: I believe that was residential mainly. I don't know off the top of my head.

Ms. Laurel C. Broten: Okay, but in Sweden it's commercial properties?

Dr. Tom Rand: In Sweden, it's everything.

Ms. Laurel C. Broten: Okay. Thanks.

The Chair (Mr. David Oraziotti): Thank you, Ms. Broten. Mr. Yakabuski?

Mr. John Yakabuski: Thank you very much, Tom, for joining us today—interesting stuff. A few years back, if this program would have been around, we probably would have gone with the geothermal if we'd known more about it at the time when we changed our own heating system, because there's no question about it; from an efficiency perspective, it would be better.

This is a bit of a new wrinkle to the issue. I certainly wish you luck in it because it's clearly got potential. There's no question about it; the amount of energy you would save by being able to heat, from your own source, your home and/or building, in your case, would be substantial. Of course, in those buildings, heating and cooling is a big component of the energy costs. So I can't comment on whether you're going to be successful or not, but there are probably some good ideas there that deserve a much closer look from our perspective as we try to reduce the amount of energy we use generally, and in total.

Dr. Tom Rand: I'd like to point out that you used the word "save," and something that I would like to emphasize about geo-exchange is that it's energy production. From the grid perspective, you're saving energy, and it's not as sexy as solar, thermal or wind, because you're not pumping electrons onto the grid, but you are producing energy.

Mr. John Yakabuski: But you're not taking energy out of the grid.

Dr. Tom Rand: Exactly.

Mr. John Yakabuski: You're producing it yourself.

Dr. Tom Rand: It's semantics, but it's an important distinction—

Mr. John Yakabuski: So the savings coming from what we would normally produce—and the production is, you're looking after your own needs.

Dr. Tom Rand: That's correct.

Mr. John Yakabuski: Understood.

Mr. John O'Toole: That's why you want a feed-in tariff, to be compensated somehow for the savings to the grid.

Dr. Tom Rand: Yes. It doesn't fit the feed-in tariff model, which is what I'm emphasizing. What geo-exchange needs above all else is low-cost capital for the really big stuff.

Mr. John Yakabuski: Not only geo-exchange, just about everything out there needs some low-cost capital these days, and access to it.

Thank you very much for your presentation. We really do appreciate it.

Dr. Tom Rand: You're welcome.

The Chair (Mr. David Oraziotti): That's all the time we have. Thank you very much.

ONTARIO FEDERATION OF ANGLERS AND HUNTERS

The Chair (Mr. David Oraziotti): The next presentation is from the Ontario Federation of Anglers and Hunters. Good afternoon, Dr. Quinney. You have 10 minutes for your presentation and five minutes for questions from members of the committee. State your name for the purposes of our recording Hansard. You can begin when you'd like.

Dr. Terry Quinney: Thank you very much, Mr. Chair. It's very good to see you again. Committee members, good afternoon.

Firstly, I bring a respectful greeting on behalf of the 83,000 dues-paying members of the Ontario Federation of Anglers and Hunters and our 655 member community-based clubs. I'm Terry Quinney, the Ontario Federation of Anglers and Hunters provincial manager of fish and wildlife services.

As Canada's premier non-governmental fish and wildlife conservation organization, we are partners in the provincial efforts to restore elk to Ontario and Atlantic salmon to Lake Ontario and its tributaries. We pay for research to assist the conservation of many fish and wildlife species in Ontario and are partners with the

Ontario Ministry of Natural Resources in the acclaimed invading species awareness program.

The government of Ontario states that Bill 150 is an act to enact the Green Energy Act, 2009 and to build a green economy. The Ontario Federation of Anglers and Hunters supports the government's objectives of cleaner sources of energy, expanded energy conservation and the promotion of a green economy.

Thus, my presentation is in two parts: part 1—expanding Ontario's green economy with new investments; part 2—ensuring Ontario's long-standing green economy is enhanced, not compromised, by Bill 150, the Green Energy Act.

Ontario's renewable natural resources, such as its fish and wildlife and their natural habitats, have supported a green economy for decades and remain a flagship, concrete example of sustainable economic development.

As a reminder, Ontario's fisheries resources produce over \$3 billion annually to our economy, largely through the benefits accrued from the over 1.5 million recreational anglers, resident and non-resident, who fish our waters each year, but also from commercial food fisheries, not to mention the social and cultural heritage benefits to aboriginal and non-aboriginal people alike in our province.

1610

Ontario's wildlife resources and the habitats that they depend upon are also annual-multi-billion-dollar green economies. The Ontario Ministry of Natural Resources stated several years ago: "More than 6.7 million of Ontario's 12.3 million residents are involved in some way in the use or in the appreciation of our fish and wildlife resources. They spend more than \$6.2 billion annually on fish- and wildlife-related activities that range from wildlife viewing to hunting, trapping, and commercial and recreational fishing. Ontario's tourism industry is highly dependent on our diverse natural environment, and fish and wildlife resources."

Our first message to the government of Ontario today is, by all means, expand Ontario's green economy, but do so with, for example, additional investments in the capital and operating budgets of your Ministry of Natural Resources. These too are wise investments in environmental infrastructure programs and projects that directly stimulate the economy, particularly the economies of northern and central Ontario.

An additional opportunity for you right now is through the impending renewal of the Canada-Ontario agreement on the Great Lakes basin; the acronym is COA. This excellent partnership between the government of Ontario and the government of Canada serves to assist in the restoration of our Great Lakes and their tributaries, so that the socio-economic and ecological potential of the Great Lakes basin can be fully realized. We request that the Ontario government significantly increase its annual contribution to this agreement. In turn, the Ontario Federation of Anglers and Hunters will do its best to convince the federal government that they must, at minimum, match the Ontario contribution.

In the second and final part of my presentation to you, I wish to bring to your attention a potentially unintended consequence of Bill 150, as written, that could have serious detrimental effects on existing fish and wildlife conservation efforts. Let me illustrate.

On the one hand, the people of Ontario have assurances that our precious fish and wildlife resources and their habitats are protected by current legislation and regulation, such as Ontario's Fish and Wildlife Conservation Act, the Ontario fishery regulations, Ontario's Lakes and Rivers Improvement Act, the federal Fisheries Act, the federal Migratory Birds Convention Act and Ontario's Heritage Hunting and Fishing Act. These are examples of existing, successful green legislation. On the other hand, in Bill 150, in part II, section 4, subsections (2) and (3), we see statements such as:

"(2) A person is permitted to undertake activities with respect to a designated renewable energy project ... as may be prescribed, despite any restriction imposed at law that would otherwise prevent or restrict the activity...."

"(3) A restriction imposed at law that would otherwise prevent or restrict an activity with respect to a designated renewable energy project ... is inoperative to the extent that it would otherwise prevent or restrict the activity."

The federal Fisheries Act contains provisions that can ensure, for example, fish passage when hydroelectric dams are constructed, and that act can protect fish habitat from the consequences of such projects. The Ontario Lakes and Rivers Improvement Act states its purpose as providing for the "perpetuation and use of the fish, wildlife ... resources dependent on the lakes and rivers." Hydroelectric turbines and dams can prevent the perpetuation and use of fish if not constructed to protect those values.

I'm a biologist and research scientist by training, not a lawyer. But I say to you that if section 4, subsections (2) and (3) actually mean what I think they mean, then Bill 150 would trump existing successful conservation laws. Surely, in its noble efforts to secure cleaner energy sources and expand our green economy, it's not the government's intention to neuter existing conservation laws. Instead, Bill 150 needs to be harmonized with existing successful conservation legislation, such as the Fish and Wildlife Conservation Act, the Lakes and Rivers Improvement Act and the Fisheries Act. Will you please ensure that this happens?

Thank you for your consideration of this most important matter.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. The government caucus: Ms. Broten.

Ms. Laurel C. Broten: Thank you very much for your presentation, Dr. Quinney. I can tell you that the government is committed to developing renewable energy projects that will ensure that human health and the environment are protected. The Green Energy and Green Economy Act, if passed, will allow for the Ministry of Natural Resources and the Ministry of the Environment to develop policies regarding requirements that project

developers must meet in order for their projects to be considered. So as MNR and MOE consult on these requirements, you would certainly be encouraged to make submissions, participate in the consultations with them and provide your views and advice on behalf of the Ontario Federation of Anglers and Hunters. We will ensure that coming out of this committee, your advice and information put forward within this context will go on towards them.

Do you have some preliminary advice with respect to those considerations that need to be established to balance renewable energy projects with successful fish and wildlife?

Dr. Terry Quinney: Thank you, firstly, for those reassurances. Secondly, off the top of my head, my personal professional opinion would be, I think it would sure give the public of Ontario comfort and assurance if there was something explicit in the act, whether it be in a preamble or the act itself, that acknowledges that existing, for example, fish and wildlife conservation laws—I gave you some examples—will in fact be respected and will not be run over roughshod, so to speak, by what is obviously well-intended legislation on the part of the government.

Ms. Laurel C. Broten: Thanks very much.

The Chair (Mr. David Oraziotti): Thank you for your comment, Mr. Yakabuski.

Mr. John Yakabuski: Thank you for joining us this afternoon. Those are some of the concerns that we've raised about the bill as well. The bill amends or repeals at least 15 current pieces of legislation, many of them affecting you and your area of expertise for the Ontario Federation of Anglers and Hunters. I guess a fair question would be, "Don't tell us you're going to be good to us. Why would you put these kinds of things in the bill in the first place that allow you to do that?" We're very concerned about the ministerial powers that have been bestowed in this bill.

Normally there's a consultative process before bills are written. Were you and/or anyone from the federation of anglers and hunters brought into the minister's office or at any time sat down and told, "These are some of the things we're thinking about. How will they impact you?" Was that part of the process? As a significant organization that does a tremendous job in protecting fish and wildlife in this province, were you consulted on it prior to the writing of the bill?

Dr. Terry Quinney: No, sir, not yet, but we sure hope that the government will further consult, for example, with organizations like mine so that we can get the best possible product for the people in the province.

1620

Mr. John Yakabuski: Because once this is passed, then it's a crapshoot; I mean, once it's law. Have you got any proposed or suggested amendments that we could do—remove parts of the bill, change parts of the bill—in order to protect fish and wildlife in this province and not just turn them over to the whims of the Minister of Energy?

Dr. Terry Quinney: Could we see an explicit statement that would again seek harmonization of this Bill 150 with both existing provincial and federal fish and wildlife conservation statutes? That would be my suggestion.

Mr. John Yakabuski: Thank you very much. I appreciate you coming in today.

The Chair (Mr. David Oraziatti): Thank you. Mr. Tabuns?

Mr. Peter Tabuns: Thank you very much for the presentation. I appreciate you taking the time.

You note in particular the whole issue of protecting fish access to rivers with hydroelectric. Could you talk about other forms of renewable energy and the biological challenges they might present?

Dr. Terry Quinney: Sure, I can. Thank you for the question, because while I used hydroelectric facilities as an illustration, it was as an illustration. I can tell you that from the viewpoint of large wind turbine operations, there are certainly both fish and wildlife considerations that must at the outset be, in my professional opinion, successfully addressed before the placement or the siting of these operations.

From a practical point of view, what I'm talking about specifically are, for example, the displacement of wildlife species, such as migratory birds, from their traditional migratory pathways or staging areas. In the case of fish species, it's my understanding that at least conceptually there are proposals that would see these turbines in the big waters of our Great Lakes—Lake Erie and Lake Ontario, as an example.

One must, again, from a fish habitat, a fish use and a fish values point of view, address those questions upfront, as well as the potential impacts on people; in other words, the people who may be currently using those fish and wildlife resources. Fishermen come to mind.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziatti): Thank you for your presentation. That's all the time we have.

TOM ADAMS

The Chair (Mr. David Oraziatti): Mr. Tom Adams? Good afternoon and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from the committee. You can start your presentation when you like. Just please state your name for the recording purposes of Hansard.

Mr. Tom Adams: Thank you, Mr. Chairman and members of the committee, for an opportunity to make a deputation on Bill 150. My name is Tom Adams. I'm an independent researcher, writer and adviser specializing in electricity and environmental matters. I'm not here representing any particular interest or client, and I'm not asking for revisions to this or that clause within the legislation. My purpose today is to plead for the withdrawal of the legislation completely.

The bill is based on unworkable and illogical concepts. It will lead Ontario towards dramatically less efficient and more costly electricity. It will undermine the integrity of the public agencies and regulators charged with managing Ontario's electricity system. It will weaken municipal democracy. It threatens directly civil liberties by arming government with radical search and seizure powers. It may even violate international treaty and trade obligations through domestic content requirements.

I fear that many fair-minded Ontarians feeling the consequences of Bill 150 will conclude that if environmental protection policies require these sacrifices, then perhaps environmental protection is not worth the trouble.

The provisions of the bill offer the possibility that politically preferred customer groups might be excused from the full cost consequences by way of ministerial fiat. This provision would create a corrosive, beggar-thy-neighbour environment around rate-setting. Rate relief for some will necessarily come at the expense of other consumers. Small and medium-sized businesses are usually the losers in tussles of this type in jurisdictions across Canada, including Ontario.

The benefits of Bill 150 will flow to a handful of developers, manufacturers, contractors and, of course, their lawyers and consultants. Many of these beneficiaries would be well off and well employed without the vast wave of government aid flooding toward them.

The investments that Bill 150 will stimulate will be inflated in cost due to the competition for resources arising from similarly flawed policies now being implemented by President Obama on a much bigger scale in the United States.

Of the generation technologies that Bill 150 would stimulate, in a few years the solar panels being installed now will be obsolete relics. Wind power is now generating intermittent power on a scale such that the benefits of wind power are already being diluted by the hidden costs to maintain grid reliability.

I have appeared before legislative committees, energy regulators, academics and policy groups for over 20 years. Over the course of this history, the debate has always focused on something that would have been familiar to electricity policy-makers and debaters 110 years ago; that is, efficiency.

The Ontario Legislature has been persistently debating electricity concerns at least since 1899, when the great Liberal James Conmee, arguably the most exceptional and successful politician ever to represent Thunder Bay in this Legislature and also at the federal level, secured an amendment to the Ontario Municipal Act. Conmee's amendment required municipalities to buy out privately owned electrical and gas utilities at fair prices before initiating their own in the same franchise.

Conmee eventually lost a titanic political struggle against Adam Beck over the question of whether municipalities would be allowed to confiscate private assets. Although Conmee and Beck brawled politically,

both opponents would have firmly agreed that the ultimate purpose of electricity policy was to deliver power to customers as efficiently as possible.

That the Ontario government would deliberately implement electricity policies encouraging and promoting inefficiency and much higher costs to consumers would have shocked both men. Can anyone name a politician in Ontario from any period—up until this Parliament—who might have deliberately sought such inefficiency and excessive electricity rates as will be the consequences of Bill 150?

Since the time of Conmee and Beck, as Ontario grew in complexity, electricity policy progressed from simply focusing on cheap power. Reliable electricity at minimum cost, produced in compliance with our environmental rules, became the heart of Ontario's electricity policy. Sometimes the policy was imperfectly pursued, but a wide consensus supported the underlying objective.

The efficiency of our economy limits the output we can achieve from our efforts and investments. Wages rise and prosperity becomes more widespread when productivity improves. Because electricity is a basic input for every economic transaction, the efficiency of electricity production has quite properly been a central policy objective over the ages.

In place of the sound objective of efficiency, Bill 150 locks in inefficiency. Electricity will be procured through non-competitive feed-in tariffs. Generators will be allowed to locate anywhere irrespective of the costs imposed on consumers to build out the infrastructure. Regulators, whose proper job is to ensure the fairness and efficiency of the market, will be transformed into agencies promoting development even when it is wasteful and harms consumers.

1630

My academic life currently focuses on wind power. In the package of materials I provided through the clerk's office, I included a paper I co-authored which will be published as part of formal conference proceedings in May at McMaster University. In the course of developing the paper on wind power, my co-author and I discovered that several of the key technical analyses of wind power grid integration relied upon by the Ontario Independent Electricity System Operator and the Ontario Power Authority are seriously flawed. Here are some of the observations arising from the analysis of Ontario's actual wind power production experience.

Locating wind farms far apart from each other provides very little smoothing of output, much less than found in comparable European studies. Rapid up-and-down ramps of aggregate wind output are common and have already caused costly impacts on generation dispatch and have contributed to excess baseload generation events. Ontario's demand peaks in the summer, but here, like regions at our latitude around the world from Alberta to Germany, wind power productivity in summer is about half that of winter. Although Ontario has a secondary peak of demand in winter, the highest usage

days are on the coldest days. Unfortunately, the coldest days in winter happen to be the days of lowest wind power productivity. During the most recent winter, the productivity of the wind power fleet across Ontario was 50% better on warm days than on cold days.

These findings do not indicate that wind power can never be beneficial, but the research powerfully contradicts those who would claim that wind power's intermittency is not a problem, that wind power helps to replace coal, or those who claim that wind power should be allowed to develop wherever developers want it.

Bill 150's so-called revolutionary ideas are fundamentally threatening to the public interest in Ontario. That great Liberal and friend of Laurier, James Conmee, and the tentative Conservative Adam Beck would both have agreed that efficiency is not a policy principle that should be revolutionized.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much for joining us today, Tom. I've watched and listened with interest to your articles over many years. One thing I could always say is they are not politically motivated; nobody gets a free ride from you. You speak from a point of view of being informed and determined.

Today, London Economics released a report with respect to the cost of electricity under this Green Energy Act, which the minister says is going to mean a 1%-per-year increase to your hydro bill over the next 10 years. We, from the start, have said that's absolutely impossible, and their report supports that. If this act is fully implemented from a low uptake to a high uptake on the feed-in tariff projects, what do you think it would do to the average person's electricity bill in this province?

Mr. Tom Adams: It's a legitimate question. Unfortunately I haven't done the research to provide a reasonable estimate, but we can see some of the directional impacts. The Bruce-to-Milton transmission line, which connects the Bruce nuclear power transformer station to the Milton transformer station, has approximately 58% of its design capacity committed for wind, the remainder for nuclear. The cost of that transmission line is \$3.5 million a kilometre.

So if you contemplate significant wind power development in further remote regions and you multiply out, we could end up with a situation—for example, if there's significant wind power development under Bill 150 that goes ahead at the west end of Lake Superior where there's already a power surplus and there is an attempt to drain power east, the cost of the transmission could exceed the cost of the wind turbines.

It's difficult to anticipate what the world would look like under such a radical proposal as Bill 150, but I think that the writing is on the wall. It's going to be very substantially more costly electricity.

Mr. John Yakabuski: Plus, we have to back up all that with dispatchable generation as well.

Mr. Tom Adams: Yes.

The Chair (Mr. David Oraziotti): Thank you for the question. That's all the time we have. Mr. Tabuns?

Mr. Peter Tabuns: Tom, thank you. If you are asking the government to withdraw the bill, do you have an alternative model that we should be looking to for large-scale implementation of renewable energy in Ontario?

Mr. Tom Adams: If there's one clause of the legislation that I would ask to be withdrawn first, it would be the clause that changes the objects in the Ontario Energy Board. The energy board legislation is fundamentally sound, and one of the requirements that is there today is protection of consumers with respect to price and reliability of power. That clause gives the board authority to distinguish between the productive and the unproductive investments that might come before them. So if there's one element that would help to encourage the cost-justified version of renewable power, it would be to leave the authority of the energy board intact.

Mr. Peter Tabuns: But do you have a model for large-scale infusion of renewable power into our electricity system? Is there another one in the world that we can look to?

Mr. Tom Adams: The model that the Europeans have been using, which is this feed-in tariff that they've got in Germany and Spain, has led to the Germans paying electricity prices that are almost US30 cents a kilowatt hour. That's triple what we're paying here.

The Chair (Mr. David Oraziotti): Thank you. That's the time we have for the question. Thank you, Mr. Tabuns. Mr. Mauro?

Mr. Bill Mauro: Mr. Adams, thank you for your presentation. Today, I'm getting a clear message from you, but I'm still uncertain—and I think Mr. Tabuns has tried to ask you what you would suggest would be the way we would produce our energy in Ontario. We've heard you in the past have concerns around nuclear. Today, I'm sensing you have concerns around renewables. You spoke pretty clearly to your concerns around the way wind is coming on stream. Of course, we're all concerned about cost, but just put that aside for the moment—and if you want to talk about it at the end, fine—and tell us perhaps how, if we can't do nuclear, if we can't do renewable—gas is a diminishing resource. People don't want coal. I don't know how you feel about coal. I'm looking for a sense of what you would envisage as the supply mix in Ontario, what percentages of each energy—you know, how would it be produced and how would you do that? I'd be interested to hear that.

Mr. Tom Adams: Good question. If we had environmental rules that were applied evenly to all sectors that said—carbon constraints or some other constraint on protection of the natural environment, and then allow the generators to compete against each other so there was open bidding and competitive processes, then you would reveal the ones that were cost-effective. It might be carbon capture and sequestration and possibly, conceivably, it's nuclear. If the subsidies are out of the game and everybody has to compete, then let them go out and do it.

1640

Mr. Bill Mauro: Your issue then is more on—you're giving me the cost argument, I guess, which—

Interjection.

Mr. Bill Mauro: Yes. I was just looking in terms of your favourite or favoured energy supply mix—nuclear, coal, gas, wind. I mean, if the cost piece is the argument, how would you suggest that we generate a renewables industry in Ontario, whether it's geothermal, wind, solar or hydraulic? If we don't use a feed-in tariff system, how would you suggest we get that renewable energy industry started in Ontario?

The Chair (Mr. David Oraziotti): Mr. Adams, as briefly as possible.

Mr. Tom Adams: There's a strong environmental argument to be made for coal. We have already some of the cleanest coal plants in North America here. If we shut them down, we're going to make our air dirtier, not cleaner. That's part of the solution. But carbon taxes across the board and then let the chips fall where they may.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

TOWNSHIP OF SOUTH ALGONQUIN

The Chair (Mr. David Oraziotti): Our next presentation is the township of South Algonquin. Good afternoon, gentlemen. You have 10 minutes for your presentation. There are five minutes for questions from committee members. Just state your name for the recording purposes of Hansard, and you can begin when you like.

Mr. Percy Bresnahan: My name is Percy Bresnahan. I'm the mayor of the township of South Algonquin. I thank the standing committee for giving me this opportunity today to address Bill 150 and the concerns of my residents and the council that I represent.

Today, coming on Bill 150, I do represent 100% of my council, 100% of all of my residents, and I represent our businesses that have been losing over the past two years. I went around to every one—in a small community, you can do this—and I represent the First Nation as well.

Just to get your attention on how serious this Bill 150 is to small communities and councils like mine for making decisions, I think, from over the last 10 years that I've been on council, that this bill is moving in the opposite direction of where other bills have moved for small communities. They were giving more downloading to us, more responsibilities for councils and more opportunities for us to make local decisions. The little flyer I handed out for you today—I had a meeting with the Ministry of Natural Resources representative this morning, so that's why it says that on there.

Anyway, to go on, while we have your attention, something that President Kennedy said when he ran was to think not what this country can do for you, but think what you can do for the country. I'm using country in a way that—where I live. Think what we can do for our

country. We have the opportunity today in the standing committee to represent northern Ontario and where we're going to lose our benefits from natural resources ongoing, starting with this bill. If we take away from local councils the opportunity to make the decisions that are needed for their area to come forward in logging, tourism and recreation, we can lose by making the wrong decision.

In my township, I have two large sawmills. One of them is the biggest privately owned sawmill in the world; it has been running for over 100 years. It is having hardship today to move on, day by day, to make a living from the resources. We also now have a development of wind turbines within the area where they receive their timber from. This township is not against green energy in any way; I just think that the township of South Algonquin is not the area for wind turbines to create green energy.

But we also were very happy to hear about biomass. In the township of South Algonquin, biomass fits in with recreation, the sawmills, the local community and the people who come there to visit. For those of you who have never been to the township of South Algonquin, it's well named. It's right next door to Algonquin Park. Only South Algonquin is in the area where you can enjoy the recreation, no matter what your age. You can explore all of the township of South Algonquin as a tourist, rather than just drive through. We do not want to see Bill 150 come into place and our local council or residents or First Nations not have a lot of say in where it's going.

For example, the township of South Algonquin is 80% crown. What that tells the council of the township of South Algonquin and the residents is that maybe the provincial government wants to take 80% of the authority away from us. Eighty per cent is a lot of crown land. We had SkyPower come in and do a test and they're planning on putting up six turbines. Then RES came along on crown and is planning 60, which will cover 17 miles of Highway 60, right next door to Algonquin Park.

Our township has been working with the Ministry of Natural Resources over the past 10 to 15 years to protect the wood turtle. This is one of the only areas left in the world where it exists. It exists four kilometres from this wind turbine footprint. The township has just been asked for \$100,000 to put a trail around to protect the wood turtle. When we're working with the government, we have to have some help.

On the other hand, not long ago, maybe 10 years ago, the red wolf: The red wolf uses our township for its winter habitat. That's where it goes. It comes to the township of South Algonquin. We have lost hunting over it, we have lost income, and trappers have lost because of the red wolf. We accepted it and moved on.

But this committee is going to have to make some recommendations to save our community. I do not think that wind turbines in the township of South Algonquin—which is right next door to Algonquin Park, which has two provincial parks running the full length of it, the Madawaska River park and the Opeongo River park, that

are now going to circle the wind turbines. I just think it's really in the wrong direction for us to go into wind turbines in our township. I do not think it does us any good to move that way. What wind turbines do to the power lines is take up what volume the lines can take.

Now that the provincial government is interested in burning wood or pellets to produce hydro—and I'm hoping that that's one way that they do go—I do think that our township can provide for green energy by providing biomass. Looking into biomass, we could probably create another 200 jobs within our township, plus keep the two sawmills possibly going that are there already.

Within the last year and a half, we have lost, in the township of South Algonquin, all the saleability of our low-end material. That is our biomass, and it has affected our sawmills probably to the point of closing down this September. Let's pray it doesn't. But it has affected the low end that badly. Biomass, creating something to burn for a coal plant, is really exciting for our council and our township. It would be something that would bring us to the point where we can keep our people in our township, keep everybody working and move on, creating within what we have.

So I think the township of South Algonquin can produce green energy by producing biomass and hopefully feed the coal plants to keep us on an upgrade with our electricity. We are not against the producing of the green energy, in no way.

When RES came to the township of South Algonquin, we had already stood forward to one little site. Within our township, we're looking forward to tourism, developing tourism, and it's a point of our council that we do not think that the wind turbines will help the tourism industry in the township of South Algonquin.

In finishing, I would like you to take a long look at Bill 150, and if it does hinder the councils of small communities in northern Ontario, that you take a long look at it and move forward with what we need for Ontario. But don't forget that we need our jobs in northern Ontario, and there aren't many jobs in wind turbines. They're expensive; they're not made in Canada, from what I understand. We're giving jobs away. We have to take the steps now to create jobs at this time, the way the economy is, and I certainly would ask the standing committee to represent our council that way. Hopefully, we'll come out with a positive answer. I thank you for your time.

1650

The Chair (Mr. David Orazietti): Thank you very much for your presentation. We have about a minute and a half each. Mr. Tabuns.

Mr. Peter Tabuns: Thank you very much for coming down and making a presentation.

Mr. Percy Bresnahan: You're welcome.

Mr. Peter Tabuns: You said that the waste from your logging operations is no longer economically saleable. Could you tell us what that relates to, what the economics are?

Mr. Percy Bresnahan: Okay. Sixty per cent of the wood that comes into our township comes from Algonquin Park, 30% comes from local crown land and the other 10% comes from farmers. In your woods, you're looking at 45% to 50% in our area of low-end material, which is chips that used to go for paper. Mills have shut down; we don't have the sale for it anymore. Biomass is exactly that, and we cannot continue logging without taking the low-end material out. It's not feasible to log and not take the low-end material.

One of the things that biomass will do for our crown is that we are leaving 15% to 20% in the woods right now at all times. Now there's another 30% that we can't sell. We have to harness that. It's been an issue for years to harness it. It's how we do it. Burning it for energy makes a lot of sense. It's the way that we should be going for our coal plants. We should be burning it, we should be building plants to burn it, if it's there, and in our township, it is.

In Algonquin Park, which I assume most of you know, the way they log is, you cannot go in and log and just take all the high-quality. It has to be across the board—30%, 30%, 30%. If you do not have low material or biomass—saleable low material—it's not going to come out.

A few months ago, we were talking about a footprint in Algonquin Park. Biomass will help the footprint. I worked in the industry for 20 years. The more we take out, the better it's going to be, and in our township, biomass is probably the big thing that's left. It was over-logged years ago—it's not like the park—but if we take out that low material for biomass, it's going to create two things: It's going to create food for the wildlife and it's going to make a product that's grown, and the logs that are in there—we're going to get it out at a cost that we can afford for the mills, and it's going to save acres in the long run. It's going to save acres in Algonquin Park and it's going to save acres on crown—

The Chair (Mr. David Oraziatti): Thank you, Mr. Bresnahan.

Mr. Percy Bresnahan: Did I answer your question?

Mr. Peter Tabuns: Yes.

Mr. Percy Bresnahan: Thank you.

The Chair (Mr. David Oraziatti): Mrs. Mitchell.

Mrs. Carol Mitchell: Thank you very much for coming to Toronto today and making your presentation. I just have a very quick question—we're hoping to share here with the member sitting beside me. I hear your concerns on wind turbines, but I would ask of you, where would you suggest that wind turbines should go in the province of Ontario?

Mr. Percy Bresnahan: I can only represent the township of South Algonquin, but I do not think that we should be destroying any more natural habitat at all in this country due to something that's not productive. Like I said in the opening statement, let's make a decision for the country; let's not make a decision for ourselves. And when I say "country," I mean the country.

When I drove into Toronto here and fought the weather, I said to myself, "It's no wonder that people from here come to the township of South Algonquin for a vacation." We want it to continue. It's a livelihood for us. We cannot lose our tourist industry, we cannot lose the forest industry, and wind turbines are not producing. So I can't answer as to where you're going to go, but I do think that our township, anywhere where it's a productive forest or a natural—

Mr. Lou Rinaldi: Anywhere but us.

Mr. Brent Peterson: It's not anywhere but us. It's developed, agricultural land.

The Chair (Mr. David Oraziatti): Thank you. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Percy and Brent, for joining us today. It's too bad it wasn't a nice sunny day.

You and I have had many conversations on this issue, Percy. South Algonquin is in my riding, so I'm quite familiar with the issue and I'm quite familiar with how you dealt with it as a council in respecting the views of your residents in regard to this proposed wind development, the 60 turbines that RES plans for the shadow of Algonquin Park—I mean, within spitting distance of Algonquin Park, quite frankly.

I remember when I asked the minister in estimates in the fall about his letter—and he immediately sent a letter back to you folks, saying, "You don't know what you're doing, blah, blah, blah," a shame-on-you type of thing, scolding you. I asked him in estimates at that time, "Do you plan to take away the municipality's power when it comes to whether or not they can approve windmills?" He skirted all around the issue and never answered the question, quite frankly, and here we have the Green Energy Act that is doing exactly that: taking away your right to represent the people who have elected you.

I appreciate you coming in today to articulate in a way much better than I could ever do here, in front of this committee, about what it means to the residents when these kinds of decisions are taken. Quite frankly, the act gives the minister such tremendous powers over above and beyond what any minister should ever have with respect to their ability to tell you in South Algonquin, or Sebastopol, or Bonnechere Valley or anywhere else how the residents have the right to make their own determinations about how they use their land.

Mr. Percy Bresnahan: Thank you. If I just have a minute—

The Chair (Mr. David Oraziatti): Go ahead, if you want to quickly wrap it up—

Mr. Percy Bresnahan: I just want to wrap it up with John's statement. John's a good friend of mine, and I'm just going to say—

Interjection.

Mr. Percy Bresnahan: You can be a friend of mine, too. I like to be a friend of everybody.

Anyway, I was just going to say, when the cell towers were approved for the township of South Algonquin, we were really happy that we would get cellphones, and one

of the things we needed was Algonquin Park. We needed the population of Algonquin Park to sustain what we needed to put in cellphones. It took us two years to get it through their heads that we needed them. They couldn't put one light in Algonquin Park to support the residents; they couldn't put one light in our township or Algonquin Park to support our township for cellphones and Internet access to improve our quality of life and get our business working, but what they did now is they're going to approve in our township—

The Chair (Mr. David Oraziotti): Mr. Mayor, can you wrap it up?

Mr. Percy Bresnahan: —80 lights in 17 miles right on the border of Algonquin Park. I would like the opportunity for our council to be sitting there in discussions. I don't want to be out of the picture. Anyway, we thank you—

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. That's all the time we have.

GREY ASSOCIATION FOR BETTER PLANNING

The Chair (Mr. David Oraziotti): The next presentation is the Grey Association for Better Planning. Good afternoon, sir. You have 10 minutes for your presentation and five minutes for questions. I understand that you have—is it a PowerPoint presentation?

Mr. Doug Dingeldein: We were going to use PowerPoint, but I don't think we need it. We'll just speak from the notes.

The Chair (Mr. David Oraziotti): Please just state your name for the purposes of recording Hansard. I understand that we have someone joining you on a teleconference call?

Mr. Doug Dingeldein: No, I don't think so. I think I will handle the presentation myself. The person who was going to join us by teleconference is the president of our association, but he is storm-stayed in Grey county at the moment and is unable to join us.

Perhaps I should tell you a little bit about the Grey Association for Better Planning. This is a group that's a Grey-county-wide ratepayer group. We were incorporated in 1989 at the height of the planning gold rush in Grey county. The organization was set up to educate citizens and to encourage local governments to understand and implement good land-use planning policies and procedures, and I think we've had considerable success in that area over the last 20 years. We've been actively involved in the development of official plans and zoning bylaws, not only at the county level but also at every municipal level within the county.

1700

Why are we here today? We're here because, in our work with local governments, we've been very active in recent years in helping to develop official plan amendments and zoning bylaws that relate to renewable energy. We've succeeded in getting these into approved official plans in a couple of cases. Also, 14% of our

county is within the Niagara Escarpment planning area, so you can see that we have a fair amount of skin in the game here, and we have many prime areas within the county that are prime development areas for wind. One other aspect that is relevant here is that we have a large farming community and we have several large farms. These farms are ideally suited to the development of biogas.

The focus of our comments really is on aspects of Bill 150 that relate to the generation of renewable energy; that is, activities that connect renewable energy plants directly to the Ontario grid. GABP would ask you as a committee to really think about the planning framework that has been built up over five decades in Ontario. I would like to remind you that in the mid-1940s there was the first iteration of the Planning Act; in the 1960s, Hurricane Hazel and other awareness of environmental problems brought forward the conservation authorities; in the 1980s, the government moved to protect the Niagara Escarpment; in the 1990s, the first provincial policy statements were promulgated; in 2000, the tragedy in Walkerton led to the Water Source Protection Act; and more recently, in 2005, the provincial policy statements have been further strengthened.

The planning framework that all of us have learned to live with over the last many, many decades has been built up slowly over a long period of time and has proven to be one of Ontario's big success stories. We could also mention the greenbelt, the advent of the environmental assessment process, the Oak Ridges Moraine Protection Act and so on. There are many other things too, but these are the main highlights.

It seems to us that Bill 150 breaks with Ontario's proven processes for regulating land use. It's going to undermine the conservation authorities by pretending that the protection of water in watersheds can be somehow divorced from protecting the land around it. It's going to undermine municipalities and their provincially approved official plans and zoning bylaws in regard to regulating renewable energy projects in their jurisdictions. I want to remind you, as the mayor of South Algonquin pointed out, that the trend has been to download more and more responsibility to local levels for decision-making: The province provides the framework and leaves the decisions to the local people.

Finally, it seems to us that this bill is going to compromise the Niagara Escarpment plan, which protects, as you know, a world biosphere reserve. It will do this by opening the door to industrial-scale renewable energy within the plan area.

Do we really need Bill 150? Bill 150 seeks to remove barriers to the province's renewable energy goals, but if you take a very hard look at what's been happening over the last several years, what evidence is there of barriers? What are these barriers? Quite to the contrary, the existing planning environment and the present level of subsidies have resulted in progress on renewables that exceeds all expectations.

Within a few short years of activity, as of February this year, there were 454 projects that have been contracted by the Ontario Power Authority, with a combined capacity of over 3,000 megawatts. To put that into some kind of context for you, OPG operates five coal fossil-fuel plants with a combined capacity of 8,500 megawatts. But this is a little misleading. Before I came to this meeting today, I checked the noon-hour output from these fossil fuel plants, and in fact, they are only generating about 1,500 megawatts. They have a capacity of 8,500 but are actually only generating about 1,500.

I think you'll admit that this has been a success. It has taken decades and decades to get the present electricity supply system in place, but in a matter of a few years, we've managed to contract for 3,000 megawatts of renewable energy. So what's the flip side of this success? There are large areas of the province that have limited or no ability to accept new generation. If you can picture a map of the province in your mind and draw a line from roughly Parry Sound across to the Ottawa River and from Owen Sound to Toronto, anywhere in the southeast part of the province, there is transmission capacity. Everywhere else in the province, there's no transmission capacity.

The thing about transmission capacity is that if it's exceeded in one area, some generation has to be shut down. But if the power is actually contracted, then consumers must pay for that power even though there's no generation. We pay twice, with no additional generation benefit. You should know that there are hundreds of existing projects right now—green energy projects—that are awaiting connection. There is new transmission coming, and a lot of that has been detailed in the integrated power system plan. But you should also know that the bulk of that stretches out to 2017 to 2025. It is something that is going to happen in the future.

You should also know that the hearings that were set up by the Ontario Energy Board to hear submissions on the IPSP were suspended in 2008 and haven't been resumed. If you actually look at the recommendations within the IPSP, you will see that if the province is to meet its transmission enhancement goals by this 2017-and-beyond time frame, construction must begin right now, this year. You can say that OPG and other experts don't know what they're talking about, but that is what they say.

We need the transmission to be successful in renewable energy right now. We are not going to get it and we don't have it. So I would ask you, the committee, to consider this question: Is it prudent to spend tax dollars right now to subsidize green energy projects from which consumers cannot benefit?

However, let's assume that we do go ahead anyway with the development of further projects. Do we need the proposed feed-in tariff? They have positioned the feed-in tariff as a simplified, more market-friendly pricing system. Let me tell you a little bit about—

The Chair (Mr. David Oraziotti): Sir, that is the time for your presentation. If you want to take 30 seconds to wrap it up, we would appreciate it.

Mr. Doug Dingeldein: Okay. There are 15 basic price levels and adjustments within FIT. This compares to three within the old system. FIT is far more generous as well. It proposes to offer up to 90% more than present subsidies in some categories. You've got to ask yourself a question: If the present practice is so successful they can't connect the projects already under contract, why would we spend more tax dollars to stimulate development of even more projects that we won't be able to connect for some time?

1710

I'm happy to take your questions.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Ms. Broten?

Ms. Laurel C. Broten: Are you first, Mr. O'Toole?
Interjection.

Ms. Laurel C. Broten: Thank you very much. In the context of your discussions, you focused somewhat on the Niagara Escarpment, and I wanted to focus my questions with respect to the Niagara Escarpment protection, among other issues. I'm wondering whether your group and your community, in the context of developing the work that you have done, have considered whether or not you would group co-operative, community-based, larger-scale electricity projects not necessarily for sale on a commercial basis into the grid, and whether you've distinguished that from commercial projects that would sell power into the grid. The second question is whether or not you view that there are any forms of renewable electricity that are compatible with the Niagara Escarpment.

Mr. Doug Dingeldein: Sure. Right now, the Niagara Escarpment planning group does not turn down any request for a wind turbine for personal use—very few. Most of the applications that go before the commission are approved for single-farm or single-dwelling use. This would be the same case for farms, for example, that might implement a biogas operation. Yes, there are plenty, but what we're concerned about is industrial-scale large wind plants. I think if they were to be implemented within the Niagara Escarpment area, they would severely damage the integrity of that plan.

Ms. Laurel C. Broten: So what if a community group going—

The Chair (Mr. David Oraziotti): Ms. Broten, that's the time you have for questions. Mr. O'Toole?

Mr. John O'Toole: Thank you very much for your presentation and for the work you've done in advocacy on behalf of the Niagara Escarpment.

I can just tell by the detail of your presentation—the unfortunate dilemma—that you had a lot more information to share, and I wish the committee would have listened to all of it, especially, when you got into the feed-in tariff part, about the unreasonableness and what we're setting ourselves up for.

But I want to just go back to some fundamentals which were addressed by you. You talked about one

important policy objection, and I think it's critical that people understand it: the arbitrariness and the ruthlessness of this government. In 2005, they made a big deal out of the provincial policy statement and the words "being consistent with," and here they are slashing it. That's the truth of what this legislation does, not just to the Niagara Escarpment. We heard it from the township of South Algonquin as well, and we've heard it before. What you're suggesting as well is the constraints within the transmission system.

I find a lot of dishonesty in the act, both in the renewable supply component—

Interjections.

Mr. John O'Toole: No, I'm saying this on the record: that it will not be heard. This bill is going to be rammed through—

The Chair (Mr. David Orazietti): Mr. O'Toole, I'm going to ask you to withdraw that word.

Mr. John O'Toole: —thank you very much for your time. What I'd like from you is, is there anything in this bill that you accept?

The Chair (Mr. David Orazietti): We're going to move on to Mr. Tabuns.

Mr. John O'Toole: Way to go. Thanks a lot.

Mr. Doug Dingeldein: If you could permit me just one—

The Chair (Mr. David Orazietti): The questioning is to Mr. Tabuns.

Mr. Doug Dingeldein: Oh. Sorry.

Mr. Peter Tabuns: Thank you very much for coming down. I appreciate the thought that you put into the presentation today. You note many existing projects that didn't go forward because there wasn't adequate capacity. These are very much in the area that you've been working in?

Mr. Doug Dingeldein: Exactly. These would be wind, biogas, solar, many projects that are actually under contract right now through OPA that are awaiting a connection agreement.

Mr. Peter Tabuns: When you talk to the government about these projects, what do they have to say about eventual connection of them?

Mr. Doug Dingeldein: A lot of them are dependent on approval and progress on the IPSP. If that does not get moving, then that just pushes the transmission capacity—and by the way, the Bruce to Milton line is caught up in that as well.

You asked Tom Adams about an alternative. You have an alternative to Bill 150 right within this building. You have ministries here which have the capability to deliver targeted renewable energy projects very quickly and very efficiently.

I would just give you one quick example, and that is OMAFRA, which has had very good relationships and a very good handle on the farming community throughout this province for many decades. Some 3,500 farms in Ontario are of a scale and of a type of farming that could implement biogas right now. The technology is proven. There are very few environmental problems, there are

very few NIMBY problems associated with those biogas projects, and if you looked at the potential of the collective output of those 3,500 farms, they would replace Bruce nuclear.

The Chair (Mr. David Orazietti): Thank you very much for your presentation.

Mr. Doug Dingeldein: You're welcome. Thank you for your time.

JOSÉ ETCHEVERRY

The Chair (Mr. David Orazietti): Our next presenter, if you'd come forward, assistant professor at York University, José—I'm not going to attempt the last name. You can state your name for the purposes of Hansard.

Dr. José Etcheverry: Thank you. José Etcheverry, from the faculty of environmental studies of York University.

The Chair (Mr. David Orazietti): You have 10 minutes for your presentation and five minutes for questions from the committee members. We can begin when you like.

Dr. José Etcheverry: Thank you. I wanted to start by thanking the committee for inviting me to present, and I also wanted to clarify to all the members of the committee what my stance is in the province of Ontario in terms of employment. I want to clarify that I'm employed by the faculty of environmental studies of York University solely; that's how I pay my mortgage and that's how I pay my bills. I'm here to represent my personal views as a public servant. As you are well aware, the university system in this province was set up to ensure there were independent people who could opine about matters that were of importance for the province of Ontario. So I wanted to start with that opening statement.

I also have produced a PowerPoint presentation. I apologize in advance to those of you who wear glasses; it's a little bit on small print. I was trying to save paper, because I believe that one has to walk the walk and talk the talk. I'm more than willing to provide you with a digital copy should you want to have a digital copy of my presentation.

I actually want to direct your attention to the first slides of my presentation, where I basically illustrate two important points that I think should be brought to the attention of the committee. The first is a series of square boxes that demonstrates graphically the potential for renewable energy on the planet in relation to the current energy consumption on the planet. As you can see, that potential is very, very big compared to what we use today on this planet. The sustainability paradox for the 21st century will be for humanity to be able to find manners to tap into that very abundant flow of resources that the sun provides on a regular basis to our planet for free.

I also want to point out the second slide. Since 2005, I've represented our country as a Canadian correspondent of the Renewable Energy Policy Network for the 21st Century, which was created by fiat of the United Nations

after the Johannesburg meetings and the renewable energy conference in Bonn. REN21 has the task to keep an accounting of the market of renewable energy on a regular basis. This market, as you can see from slide number three, is growing very rapidly. I'm not allowed to share with the committee the figures for 2009 because they're not yet published, but I can tell you in advance, as a sneak preview, that those numbers have increased. We have passed very well the \$100-billion mark in investment per year. This is a new industry on the planet; it's an industry that's bringing a lot of new jobs and a new industry that provides good-quality opportunities for the jurisdictions that choose to take advantage of it.

That brings me to a point here in the previous three presentations that I heard. I want to encourage the committee to take a multipartisan approach to this issue. Ontario has an incredible opportunity in front of it. We are a province that depends upon technology. We are a province that lacks fossil fuel resources and non-renewable resources such as uranium—we only have a little bit of uranium. So every time we invest in technology, we will employ Ontarians, and I think it's a very important point to make.

1720

The second point that I want to make is that I can understand there is a lot of apprehension amongst Ontarians. I have heard three presentations that denoted to me a certain level of apprehension. Change brings with it, sometimes, fear—fear of the unknown, fear of the consequences. I have had the privilege of travelling very much during my life and I've spent most of my travelling time not as a tourist but as a visiting scholar to the jurisdictions that are currently leading with renewable energy; those are the countries of Spain, Germany and Denmark. I can tell you, if you go to those countries—if you haven't done it yet—to do a fact-finding mission, what you will find is large numbers of people working on the manufacture of technology—technology that gets installed and is reliable. The people who say otherwise, you should question why they're saying otherwise.

I think it's important to note that countries like Spain and Denmark, which have significant mixes of wind power, which is always considered an intermittent renewable, have found a way of dealing with moments in their electricity mix when the wind installations provide not 5%, not 10%, not 20%, but 40% of their electricity on a daily basis. I wanted to emphasize that these countries have learned how to do this, and I want to direct the attention of the committee to the point of smart grids in my PowerPoint presentation.

In the act, there is a definition of what a smart grid means and I want to provide a suggestion for the committee to treat this definition of smart grids as a background piece of information and try to operationalize what a smart grid could do for Ontario, not by treating it as a research approach, but treating it as a market opportunity. I have a very specific recommendation there, in relation to treating storage opportunities that have to do with technologies such as wind and solar, to receive feed-in

tariff benefits. This strategy would make renewable energy resources that are intermittent dispatchable. Also, by treating smart grids on a market approach, you will be able to create market discipline amongst renewable energy generators so they can use the ability of using technology to forecast in advance—24 hours—what their generators will be able to contribute to the electricity grid.

There are also in my presentation six other specific recommendations related to specific aspects of the Green Energy Act. I want to keep my presentation succinct, Chair, to the point, and I basically want to emphasize that those six recommendations were made in this period of what the Ontario government pays me to do. I provide advice on how to improve policy.

I want to conclude my presentation by saying something very specific. I believe, after analyzing all the renewable energy programs of the federal government, after evaluating, province by province and territory by territory, all the renewable energy initiatives as part of my job as correspondent of REN21 for the 2009 publication, I can tell you nothing comes closer to the Green Energy Act in terms of its ability to create a paradigm shift from old ways of doing things that were polluting and unreliable and that have gotten our civilization in a very difficult situation. I don't need to emphasize to members of the committee the issue of climate change. I realize that all of you around this table are well aware of this issue. The Green Energy Act will prove to be, if passed and supported in the manner that I suggested respectfully to the committee, by multipartisan approaches, the most significant climate change mitigation strategy of Canada—not of Ontario, but of Canada—so it is a duty of Ontarians to lead now on this very interesting paradox that we have of how to do well by doing good. I want to emphasize that my analysis of the Green Energy Act clearly indicates that it has equitable components that are second to none being implemented in the continents of the Americas, hence the title of my PowerPoint presentation to you.

I want to conclude by encouraging the members of all parties to seek advice from those leaders on the planet on renewable energy to ensure that this legislation and the regulations that will support it make our province a place that will provide employment for present and future generations, protect the environment and ensure the participation of First Nations and community groups. Thank you very much.

The Chair (Mr. David Orazietti): Thank you for your presentation. Mr. Yakabuski?

Mr. John Yakabuski: Thank you very much, Dr. Etcheverry, for your presentation today. There might be some items that we may question you on, because some of the things you said—you talked about reliability and intermittency. These are not my findings; these are from the German people themselves: About 30% of their capacity is in wind, but they only get 7% of their power from wind, which speaks to the intermittency and the reliability factor of the technology—because you can't

control the wind. The wind is controlled by powers that are much higher than anything in this Legislature. You talked about Denmark, and we know that the price of power in Denmark is 39 cents a kilowatt hour. So if we're talking about a model, I guess I'd ask how we could possibly use a Danish model and still survive in an industrial goods-producing economy like Ontario at those kinds of rates for power.

We all recognize the issue of climate change, but I was given information from experts in the field who put it this way: If Ontario ceased to emit anything now, today—if it stopped producing anything, if Ontario basically just disappeared—China's emissions would make up for what we emit in less than six months. The growth rate of their emissions would make up for everything that Ontario produces in less than six months.

So I just want to put those things into perspective. If you think that an act, where the minister on one day says, "We might get 5% of our energy, maybe, from this act"—how much difference is that actually going to make? But at what cost will it be to the people of Ontario?

Dr. José Etcheverry: Mr. Yakabuski, as a scholar—

The Chair (Mr. David Oraziotti): Just a second. Before you respond, Mr. Yakabuski has used most of his time to put his comments on the record. You only have about 15 seconds or so to respond.

Dr. José Etcheverry: I'll try to do it in 15 seconds. As a scholar, Mr. Yakabuski, I can tell you three things related to the questions that you posed to me. Number one, in relation to Germany, I encourage the committee to look at the web page of the International Feed-in Cooperation, which is a trilateral agency of the countries of Germany, Spain and Slovenia, where in the section on documents, the government of Germany has published the results of their renewable energy laws. What you will see are the results there, sir. I direct you to that source.

In relation to the 30-cent residential price of electricity, I assume you mentioned, in Denmark: In Denmark, the price of electricity for the industrial sector, just as it is in Germany, Spain and most of the European Union countries, is protected to ensure that European industry is not disadvantaged on the global market. So your comment is only applicable to the residential sector, and it applies on that price because the Danish people have carbon taxation on top of their electricity prices, and other measures to internalize the prices of pollution.

Last but not least—

The Chair (Mr. David Oraziotti): Thank you.

Dr. José Etcheverry: Just out of respect to Mr. Yakabuski—

The Chair (Mr. David Oraziotti): Okay. Wrap it up.

Dr. José Etcheverry: —I'll wrap it up with the last comment that you made. Our province derives 25% of its electricity from hydro power. The quest for us here now is to see how we can take advantage of that dispatchable electricity to combine it with other renewable energy sources.

1730

I want to end my commentary respectfully by saying that, make no mistake, history will not be kind to us if we let this opportunity pass. Barack Obama has made it clear that he's going to lead his country through the use of green energy. Two people can coexist as partners, but if we let the other partner take over, the other partner will manufacture all the systems, and the jobs will go to that jurisdiction. I want to go on the record with that, please, and that the Green Energy Act—

The Chair (Mr. David Oraziotti): Thank you. That's all the time we have. We appreciate it.

Mr. Tabuns.

Mr. Peter Tabuns: Thank you very much for coming here, and thanks for the presentation. I would like an electronic copy of the slideshow.

What do you see as the advantage to this bill over the RESOP program that existed previously?

Dr. José Etcheverry: Very succinctly, it represents an evolution of the RESOP system. RESOP was the first program of its kind to be introduced in an anglophone jurisdiction on this planet. It was the first time that it was introduced in North America.

Although the feed-in tariff concept had its origins in California, as you well know, in the 1970s in the PURPA legislation, in the intervening three decades knowledge has been augmented by learning and by doing.

The Green Energy Act represents the evolution of that knowledge, the accumulated knowledge of the laws that have been implemented in the leading countries of the world—Germany, Spain and Denmark—adapted to Ontario conditions. That's why I call it the most progressive legislation of its kind, not in North America but in the continent of the Americas.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. That's all the time that we have.

Ms. Laurel C. Broten: Chair?

The Chair (Mr. David Oraziotti): Pardon me. Sorry, Ms. Broten.

Ms. Laurel C. Broten: Thank you. I want to just focus in on two suggestions that you brought forward. One was with respect to the development of storage options and the use of feed-in tariff for that, and the other with respect to connection priority. I'm wondering whether you can point to any jurisdictions beyond North America where we might look to those two issues having been tackled.

Dr. José Etcheverry: On the first question, with respect to storage, I'm suggesting that our province could lead, because all the other jurisdictions in the world that have renewable energy are treating storage as a research and development strategy. We could be the first ones to create a domestic market for storage. By doing that, we position ourselves in a very, very sweet spot, if I may put it colloquially.

In relation to the other recommendations, it is clear—and again, I direct the attention of the committee to the International Feed-in Cooperation website, where the

second paper on best-practice design of feed-in tariffs has been posted. It was posted in November 2008 and released in Brussels. You can use that document to compare what the OPA is proposing, and you will see that what the OPA is proposing, within a few changes, will constitute the most advanced feed-in tariff system of the Americas.

Ms. Laurel C. Broten: Thank you.

The Chair (Mr. David Oraziotti): Thank you, Ms. Broten. Thank you very much for your presentation.

Dr. José Etcheverry: Thank you to the committee for your time.

COMMUNITY POWER FUND

The Chair (Mr. David Oraziotti): The next presentation is the Community Power Fund. Good afternoon, sir. You have 10 minutes for your presentation and five minutes for questions from committee members. You can state your name for the purposes of recording Hansard. You can begin your presentation when you like.

Mr. Brian Iler: Thank you very much. My name is Brian Iler. I'm a director of the Community Power Fund. Thank you, Mr. Chair and members of the committee, for hearing from us today.

The Community Power Fund was established by the Ontario Sustainable Energy Association to provide financial support for community power projects in Ontario. You might find some history of the community power sector helpful.

The first community power project in Ontario was the wind turbine at Exhibition Place here in Toronto. It was a project of the Toronto Renewable Energy Co-operative, or TREC, of which I am a founding director.

We felt that there had to be an alternative to the Mike Harris government's plans to privatize the generation and distribution of electricity in our province, and to the then prevailing commitment to fossil fuel and nuclear sources for much of our electricity generation.

We were inspired by Denmark and Germany, where community-initiated and funded electricity projects were sprouting up, enabling local communities to participate in the ownership and financing of green energy projects in their midst. Of course, we remain inspired by what Europe generally, and Germany in particular, continue to achieve in their impressive expansion of green energy generation and community ownership.

The TREC turbine inspired other groups around the province to consider similar projects that led to OSEA's formation: to act as the voice for community power in Ontario and to provide practical support to its members to ensure successful projects. I was pleased to sit on the OSEA board for six years and am a past chair of that board.

We found that the major impediment to community power projects in Ontario was the absence of a supportive government policy environment that would encourage and nurture community-owned green energy projects. That changed modestly with the Ministry of Energy's

announcement of the renewable energy standard offer program, or RESOP, in 2006. Unfortunately, that program failed to sufficiently address continuing barriers to community power.

That has now changed. Assuming that regulations made under Bill 150 are consistent with the spirit of the bill, and we have no reason to believe they won't be, Ontario's Green Energy Act will be world class. It will provide precisely the tools, resources and encouragement that the many community power projects waiting to get started, and those of the many more communities who will now be inspired to act, need to proceed full speed ahead.

The Community Power Fund wholeheartedly endorses Bill 150. It is bold, imaginative and precisely what is necessary for a secure, sustainable energy future for our province and to seriously address the dire threat to our very existence that climate change poses.

The bill does address the significant barriers the community power sector has faced to date. The Lakewind project—which, Mrs. Mitchell, you're certainly familiar with—a joint venture of TREC and Countryside Energy Co-op, located on land near Kincardine, has been stalled since November 2006 owing to the priority given to nuclear power over renewables on the transmission grid. With the right to connect and priority access given to renewable energy in this bill, Lakewind and other similar projects can finally proceed.

We anticipate that the proposed feed-in tariff will be modelled on Europe's successful precedents. Those precedents establish that a feed-in tariff based on costs plus a reasonable return on investment, reflecting risk, and differentiation based on energy intensity will ensure that investments by members of our communities will be reasonably secure and that electricity consumers do not pay a price for electricity that provides windfall profits to investors.

There are several modest improvements that the Green Energy Act Alliance has recommended that would make an already great bill even better. The Community Power Fund supports those recommendations.

Finally, from the fund's perspective, for community power to achieve its potential, it is essential that projects have the necessary financing to develop. Unlike the private sector that has access to high-risk venture capital for its project development work, community projects are dependent upon early-stage financing from the fund and similar sources to get them to the stage where an offering of shares to their communities can be made. Our fund has considerable experience in assessing community power applicants and overseeing money disbursed. Since our resources are relatively meagre at this point, we have not been able to mount an effective revolving investment and loan program.

We look to your government and its agencies to provide sufficient capital—preferably through the fund, as it has the experience and expertise—to enable our province's communities to participate effectively and fully in this exciting initiative. Funding for community

power is certainly contemplated by the powers to be given under schedule C, section 6(2), and to be charged to the rate base pursuant to schedule D, section 6 of the bill.

We look forward to details in due course as to how that capital will be made available for our community power projects. Thank you for your attention.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns, you're first up.

Mr. Peter Tabuns: Brian, thanks very much for that. I appreciate it.

In your experience, to what extent has transmission constraint been significant in blocking renewable energy projects from going forward?

Mr. Brian Iler: It's been a huge problem in many places: Manitoulin Island, the whole orange zone, the Grey-Bruce area, around the Bruce nuclear plant—a major problem.

Mr. Peter Tabuns: Has it been bigger than, say, NIMBY resistance?

Mr. Brian Iler: Yes, by far. Now, what we are pleased with is the commitment that we see in this bill to proceed to give flesh to a bare-bones right to connect. There is a right to connect in there, assuming a number of factors are in place, including economic factors, but there needs to be a commitment on the part of the government to provide or ensure enough financing is provided to expand the transmission system to take all the green energy we can generate. That's really the goal, and I think that's the principle that underlines this act.

The Chair (Mr. David Oraziotti): Thank you, Mr. Tabuns. Mrs. Mitchell.

Mrs. Carol Mitchell: Thank you very much, Brian, for presenting today. I don't know how long you were sitting in the corner there listening to all the presentations, but you mentioned specifically this one project in Kincardine. In that area I have two municipalities, and if you were going to do a wind project, you would have one municipality that is opposed to wind development of any kind and you would have a municipality that is in favour of wind development. From your perspective—I know how hard you've worked on community developments of renewable energy—how would you go forward addressing those issues without bringing up the decision of planning to the provincial level? Could you see any other recourse?

Mr. Brian Iler: To be honest, I do not. I think the bill got it right in terms of recognizing that green energy and

the generation of electricity by sustainable means is a provincial priority; and as a provincial priority, we shouldn't have a patchwork of different kinds of decision-making. We need to give a clear signal to the entire province that this is important, that it's important to the province as a whole. So I think the bill got it right in terms of taking some of those powers from the municipality, just as they did with the anti-smoking rules.

Mrs. Carol Mitchell: And with the greenbelt and the—

Mr. Brian Iler: Yes.

The Chair (Mr. David Oraziotti): Thank you, Mrs. Mitchell. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Brian, for joining us this afternoon. The Ontario Sustainable Energy Association is one of the organizations that has received Trillium funding from the province of Ontario to promote green energy and, by extension, the act, as we have seen them in other communities. You're a branch of the Ontario Sustainable Energy Association, as you indicated in your brief. Given that they don't fund groups who oppose the act for various reasons—some of which, obviously, you would disagree with because you're coming from a different position, and we respect that—was that a proper use of funding? Is that levelling the field? Or is that actually supporting people with money to promote the government's agenda?

Mr. Brian Iler: First of all, I'm not here speaking for OSEA. I can tell you from my participation on the OSEA board that, yes, OSEA has received considerable Trillium funding. That funding was earmarked for capacity building, which means helping groups develop the capacity to carry out their projects. The Trillium funding, to the best of my knowledge, was not ever used to finance government lobbying. It was used to finance research, but Trillium funding has very specific program-related activities that don't include lobbying. I think whoever's telling you that is wrong.

Mr. John Yakabuski: Would it suffice to say that those who receive money are sometimes the ones who tend to support those who give them the money?

Mr. Brian Iler: I can't speak for Trillium and I don't really know their granting policies. I'm sorry.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation and for the questions and for all of the presentations today. The committee is adjourned until Wednesday.

The committee adjourned at 1744.

CONTENTS

Monday 6 April 2009

Subcommittee report	G-375
Green Energy and Green Economy Act, 2009, Bill 150, <i>Mr. Smitherman</i> /	
Loi de 2009 sur l'énergie verte et l'économie verte, projet de loi 150, <i>M. Smitherman</i>	G-375
Sierra Club Ontario	G-376
Mr. Dan McDermott	
Ontario Clean Air Alliance	G-378
Mr. Jack Gibbons	
Better Place.....	G-380
Mr. Sean Harrington	
Ms. Ruth Grier.....	G-383
Ontario Waterpower Association	G-385
Mr. Paul Norris	
Conservation Council of Ontario.....	G-388
Mr. Chris Winter	
St. Marys Cement.....	G-391
Mr. Martin Vroegh	
VCi Green Funds	G-393
Dr. Tom Rand	
Ontario Federation of Anglers and Hunters	G-396
Dr. Terry Quinney	
Mr. Tom Adams.....	G-398
Township of South Algonquin	G-400
Mr. Percy Bresnahan	
Mr. Brent Peterson	
Grey Association for Better Planning	G-403
Mr. Doug Dingeldein	
Dr. José Etcheverry	G-405
Community Power Fund	G-408
Mr. Brian Iler	



G-21

G-21

ISSN 1180-5218

**Legislative Assembly
of Ontario**

First Session, 39th Parliament

**Assemblée législative
de l'Ontario**

Première session, 39^e législature

**Official Report
of Debates
(Hansard)**

Wednesday 8 April 2009

**Journal
des débats
(Hansard)**

Mercredi 8 avril 2009

**Standing Committee on
General Government**

Green Energy and Green
Economy Act, 2009

**Comité permanent des
affaires gouvernementales**

Loi de 2009 sur l'énergie verte
et l'économie verte



Chair: David Oraziotti
Clerk: Trevor Day

Président : David Oraziotti
Greffier : Trevor Day

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

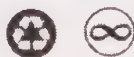
Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Wednesday 8 April 2009

Mercredi 8 avril 2009

*The committee met at 1603 in room 228.*GREEN ENERGY AND GREEN
ECONOMY ACT, 2009LOI DE 2009 SUR L'ÉNERGIE VERTE
ET L'ÉCONOMIE VERTE

Consideration of Bill 150, An Act to enact the Green Energy Act, 2009 and to build a green economy, to repeal the Energy Conservation Leadership Act, 2006 and the Energy Efficiency Act and to amend other statutes /
Projet de loi 150, Loi édictant la Loi de 2009 sur l'énergie verte et visant à développer une économie verte, abrogeant la Loi de 2006 sur le leadership en matière de conservation de l'énergie et la Loi sur le rendement énergétique et modifiant d'autres lois.

The Chair (Mr. David Orazietti): Good afternoon, everyone, and welcome to the Standing Committee on General Government.

We have just one item before we start the presentations, an issue around travel to the three communities outside of Toronto: Sault Ste. Marie, London and Ottawa. I just need the committee's agreement that any vacant spaces on the charter plane can be charged back to the respective caucuses or ministry staff if they so choose to use those spaces. That's a fairly standard—

Mr. Peter Tabuns: I haven't counted before, so could you please explain it?

The Chair (Mr. David Orazietti): If there are empty seats on the plane, then they would be offered to staff or caucuses on a charge-back basis.

Mr. Peter Tabuns: Got it. Fine.

The Chair (Mr. David Orazietti): All agreed? Okay.

Mr. John Yakabuski: Well, we'd like them on a free basis, but we understand what your decision is.

The Chair (Mr. David Orazietti): So noted.

MINISTRY OF ENERGY AND
INFRASTRUCTURE

The Chair (Mr. David Orazietti): Good afternoon, Minister Smitherman, and welcome to the standing committee. You have 10 minutes for your presentation, and then there will be 20 minutes for questions, divided evenly among the members of the committee. As you know the practice, please state your name for the record for Hansard purposes, and you can begin when you like.

Hon. George Smitherman: I think my information was 15 and then five, five, five, but I think my remarks probably are closer to 10. I'm just concerned that I might seek your indulgence for a few seconds at the end. But I'll talk fast.

The Chair (Mr. David Orazietti): Absolutely. That's fine.

Hon. George Smitherman: Thank you very much. Since first elected, our government has taken determined steps to build a cleaner, greener energy system, one that can support a strong, 21st-century economy for Ontario, from our bold move away from coal-fired generation to the concrete steps we have taken towards energy conservation, including the installation of more than two million smart meters.

We've made tremendous progress. The renaissance of our energy system, reflected by billions in new investments, has been so successful that our government is confident we can raise the bar higher.

The Green Energy Act that we are considering in this House and this committee would, if passed, truly make this province North America's green energy leader. The act has two equally important thrusts. It would make it easier to bring renewable energy projects to life, and it would help us create a culture of conservation to encourage all Ontarians to use less electricity. Together, they would support a new, green economy for Ontario and help to create green jobs here at home.

I thank the members of this committee for their efforts, efforts which I know will help make this legislation better. We know the interest is there. Fourteen hours of debate in the Legislature, hundreds of responses to our posting on the EBR, and an overwhelming response for the seven days of public hearings, including three days of travelling, is a great example of how the committee will be well positioned to offer advice on improvements.

In these times of uncertainty, the Green Energy Act offers much promise. Few sectors offer so much hope of economic growth. We know that certainty is an important part of any economic growth formula. In order to stimulate greater implementation of renewables, certainty is provided: certainty that green power will be purchased at a good price through an innovative feed-in tariff program and backed up with a long-term contract; certainty that projects will be connected to the grid; certainty that government will issue necessary permits in a guaranteed time frame; and especially, certainty for the people of Ontario

that their interests, their health and their safety will come first.

In the several weeks since the bill was introduced, I've had the chance to travel to Port Alma and Ilderton, to Kitchener and Kincardine, as well as Danforth and High Park here in Toronto, to talk about the Green Energy Act. I'll soon be going to Fort Erie, Lac Seul and Ottawa. Wherever I have gone, I've found entrepreneurs and community activists who are so enthusiastic about the opportunities in the green economy. These are the people set to help create 50,000 additional jobs.

I would like to take some time to address some of the issues that have been raised since the Green Energy Act was first introduced.

While we collectively call this bill the Green Energy Act, the conservation thrust is just as important. Smart meters and the evolution to time-of-use pricing will soon become a powerful tool that will allow Ontarians to take better control of their electricity use. Time-of-use pricing is the catalyst that takes the meter in your basement or on your porch and makes it smart. These tools will help you manage your electricity costs if you shift some of your household tasks to lower-cost periods, such as evenings or weekends.

It is because of conservation's importance that we support making home energy audits more common in Ontario. We did so, knowing that the official opposition campaigned on it and that members of the Ontario Legislature unanimously supported the bill introduced by the member for Ottawa—Orléans, my parliamentary assistant, Phil McNeely. The logic is clear. At the time that you make the most important investment of your life, it's important to know how much energy your home uses and what you can do to use less. We pay \$150 toward the audits. Initiating an audit allows a homeowner to access up to \$10,000 for retrofits from the governments of Canada and Ontario combined. It's true that there are many important questions to answer: How long will the audit remain valid? Will there be a minimum age for a house before an audit is required? How will the audit affect seasonal residents? Should the requirement be phased in and over what period? We're going to listen to Ontarians on these questions and certainly to this committee. We're working with realtors and home builders to make sure we take the time to get this initiative right.

With respect to the search provisions and inspection powers in the bill, we recognize that these have encouraged some to speculate about their intentions. These powers are not essential to the bill's success, and amendments in this area would be very, very welcome.

On the issue of cost, we project that over a period from 2010 to 2012, a \$5-billion incremental investment will support the emergence of green energy and stimulate the emergence of a culture of conservation. Specifically, we project \$3.2 billion in transmission and distribution investment; \$950 million in more renewable generation; and \$900 million through conservation in the efforts made to enhance the capacity for all Ontarians to use less electricity.

1610

We anticipate about 1% per year of additional rate increase associated with the bill's implementation over the next 15 years. Our estimate of cost increases is based upon the way that we actually amortize costs in the energy sector. The research contracted by the official opposition does not. Their report apportions capital costs without consideration of the life of the asset, or, put another way, they didn't amortize those costs. Their report counts the costs for conservation programs without providing any benefit for reduced consumption by the consumer.

We believe that we have the opportunity to bring more renewable energy to life on the one hand and to create the capacity for people to go about their daily lives and use less electricity; that when we pay to assist people to transition to that, we should anticipate lower use of electricity as part of the benefit. Their report did not do that. Their report assumes that the increase in green energy and conservation will fail to supplant any other costs downstream. We quarrel with that. Their report has wild fluctuations in the projection of costs associated with it.

As I mentioned earlier, the proposed legislation would not detract from the important protection of health, safety and our environment. As an example, let's look at some of the concerns that have been raised about setbacks from wind turbines.

Under the current model, municipalities are responsible for determining setbacks for wind projects. The result is a patchwork of municipal bylaws across Ontario. In place of this pattern, the Green Energy Act seeks to upload this responsibility to the province, creating strong and uniform standards. For the first time, there would be standardized, province-wide setback requirements. Everyone would have the same rule book, and the rule book will be developed and regulated by the Ministry of the Environment. They are uniquely positioned to provide direction that is based on known science, and with obligation to the environment as well as the health and safety of the public. By raising this responsibility to the provincial level, our aim is to help Ontario's municipalities by lifting the burden of time, money and effort that these kinds of approvals require.

We're also taking steps to streamline the approvals process for renewable energy projects. We've been clear that we expect there to be public consultation as part of the streamlined approvals process that is currently being worked on by the Ministries of Environment and Natural Resources. I know that the MOE and MNR have already started consulting with stakeholders. We'll continue to work with all our partners as they move forward to develop this renewable energy permitting process. Project proponents will be obligated to engage the local community in a conversation about their project before they can move forward. People will not be surprised.

In reference to concerns that have been raised specifically regarding the Niagara Escarpment, our government sees the development of renewable energy projects and the protection of our natural environment as compatible priorities. We have confidence that the Ministries of En-

vironment and Natural Resources are appropriately positioned in this model. Protections outlined under the Niagara Escarpment plan, as well as provincial and federal statutes, continue to apply. For example, Ontario's new Endangered Species Act will fully apply to renewable energy project proposals to protect listed species and their habitat. As well, permitting requirements for protection of hazardous lands and wetlands under the Conservation Authorities Act and its regulations will continue to apply. And the federal Fisheries Act and the provincial Fish and Wildlife Conservation Act will continue to protect fish populations and habitat.

I look forward to the opportunity to respond to further questions. In closing, one of the things in the proposed act about which I am most excited is the potential for the emergence of thousands of smaller green energy projects—microgeneration—in urban as well as rural areas. The benefit of this is manifold, but perhaps most important, it lets individual citizens and their communities be part of our green solutions.

This legislation is about bringing all Ontarians into the tent and building a green energy future for our province, and a sustainable future where we all use less energy.

This Green Energy Act continues to transform Ontario's electricity generation system into one of the cleanest, greenest energy supply mixes in the world. I know that the input of the public and the input of this committee will allow it to be an even more effective tool.

I want to thank all the members of the committee for the hard work that they'll be taking part in as we seek to make improvements to this piece of legislation. Thank you, Mr. Chair.

The Chair (Mr. Lorenzo Berardinetti): Thank you very much, Minister, for your presentation. We'll start with the official opposition, Mr. O'Toole. Each caucus has about five and a half minutes for questions.

Mr. John O'Toole: Thank you very much, Minister. I wasn't here to hear all of it, but I've heard quite a bit of it in the House. Some of it I actually believe.

I really want to make three points: The future role of the Ontario Energy Board and the oversight of what you think are neutral policies in terms of impact on the consumer; also, the familiarization you might have with the report that was done in 2002. I have here the Select Committee on Alternative Fuel Sources' final report. That was a unanimous report looking at many of the considerations that should be in this Green Energy Act. Some roles and responsibilities are outlined in that and a number of recommendations that I'd like to draw to your attention. More importantly—and this is probably the most treacherous question of all, if it is a question—is the current delay—you've delayed it a couple of times now—on the announcement of the new generation III nuclear reactors and the decision between AECL, as well as Candu.

I'm very concerned, reading the paper recently, and by other suggestions, that Ontario is primarily the biggest user of nuclear energy. I think there's one Gentilly plant. I think Ontario has a great deal at risk here: the technology transfer and the proprietary use of Candu.

My issue here is, if you're waiting or trying to outwait the federal government so they'll pick up any overruns in the contract, why wouldn't you, as a government, take a lead role in assuming a partnership with AECL and the contractual arrangements with respect to overruns or design implementation things? This will benefit Ontario. This is where Candu—where the companies are, where the job creation is, and it's proprietary technology that could be in jeopardy.

I represent the riding of Durham with two reactors—one in Pickering as well—where they've had a record of safety, a record of performance by OPG and no incidents. I think you need to be clear with the people of Ontario that you are going to look at this issue of blaming the federal government for not picking up some potential overruns. I think that's being used as a shield artificially to delay the announcements of which kind of technology is going to be used.

The second thing is, I want to have a direct briefing on the role of the Ontario Energy Board as you implement this scandalous billion-dollar expenditure on some kind of generation that's not even proven worldwide. It sounds good, Minister, but by the same token—anyway, I'm very frustrated, as you can tell. The answers to my critic here haven't been fair in the House. You've dismissed most of his questions. But there, I throw it on the table for you and the gauntlet is down.

Hon. George Smitherman: If that's your gauntlet, it's a rather poorly constructed one at that. Let me try and disassemble some of the misinformation that you took a run at there.

Firstly, I'm happy to organize a direct briefing for you about the OEB, as you've requested.

The report in 2002 was chaired by Steve Gilchrist, then the member for Scarborough East and a member of your caucus. I met with Mr. Gilchrist and he offers his very strong endorsement for the Green Energy Act. He believes that substantial of the elements of the report, which involved all members, have been addressed in the Green Energy Act, and he would be very keen to have an opportunity to participate in making sure that the Green Energy Act is implemented in a way that the report in 2002 envisioned.

On the issue of nuclear, a few things: Firstly, I guess you haven't had a chance to get from the mayor of Clarington, which I believe is in your constituency, one of the bumper stickers that they have made up that says, "Clarington loves George." So the cynicism which you've brought to the fore on the matter of the procurement of a nuclear power plant, thankfully, isn't fully reflected in your constituency.

1620

You've made some allegation about blaming the feds. There's been no blame involved. At the heart of the matter, as we seek to procure a very expensive piece of technology, we seek to do so in a fashion which is based on the productivity of the plant, the costs associated with its construction and the economic development that will ensue from making that investment. With all due respect,

if I took the cost modelling and applied it to electricity pricing the way you have to the Green Energy Act, we'd be into 20%, 30%, 40% increases in electricity costs because you don't even understand the principle of amortization, it would seem.

I think the approach ought to be that the good people of the province of Ontario have been the largest and most loyal customers of Candu technology through Atomic Energy of Canada Ltd. In a current procurement where we're willing to invest substantially of the ratepayers' money, we have sought to create a process with substantial tensions between competitors who have different technologies and different advantages associated with those technologies. AECL and two others are competing for that business, and we hope to be in a position where we have entered into contract with one of them by the end of this spring. That's the time frame that we're operating within, and I think that, given the uncertainty of the times, given the scale and spectre of the nature of this investment, we will continue to move this forward in a fashion which is prudent.

You have decided—

The Chair (Mr. David Orazietti): Minister Smitherman?

Hon. George Smitherman: —on an emotional level that you're just going to go with the one. We think it's important when you're making an investment of that scale that you actually do it far more prudently and make sure that we're making an investment in the very best technology that's available. Thank you.

The Chair (Mr. David Orazietti): Thank you. That's all the time we have for that caucus. Mr. Tabuns.

Mr. Peter Tabuns: Thank you, Minister.

Minister, I need some clarification. In schedule B, I think it is, subsection 5(2) amends the Electricity Act, and the clause enables you to direct the Ontario Power Authority to undertake "the procurement of electricity supplier capacity, including but not limited to supplying capacity derived from renewable energy sources." The lack of specificity concerns me here.

I'll give you the question and then you can tell me what your specific thinking is—

Hon. George Smitherman: I don't have that paper in front of me. I'll do my best.

Mr. Peter Tabuns: Aside from the renewable energy sources explicitly cited in the clause, could you clarify what other energy sources this clause allows you to procure?

Hon. George Smitherman: I'll be happy to get back to the honourable member with a more fulsome answer, but we certainly anticipate, as an example, with our feed-in tariff model, being able to continue to add elements of renewable energy that would expand that list as it's been presently constructed.

As I understand it from this note that's been given to me—it has three letters on it—to your very specific question, combined heat and power would be an example of something that we would see OPA also being given the capacity to procure.

Mr. Peter Tabuns: So can you be clear with us that nuclear power would not in any way be covered by that clause?

Hon. George Smitherman: Nuclear power is not covered by the Green Energy Act.

Mr. Peter Tabuns: So it's outside of the Green Energy Act and this clause would not allow you to procure nuclear power through this act?

Hon. George Smitherman: I'm procuring nuclear power, as you very well know, and had initiated it well before the Green Energy Act had been envisioned. Other people have asked a similar question about EFW, energy from waste. We don't have that under the rubrics of green energy. There are other procurements and other processes by which we might seek to bring other pieces of the energy supply mix, but we haven't sought to have the Green Energy Act apply to nuclear power, no.

Mr. Peter Tabuns: Okay.

In some instances you are facing transmission constraints right now, and I'm thinking about the Bruce Peninsula. If in fact there's substantial uptake on renewable power projects in that area and those renewable power projects exceed the room that's available on the transmission system now, would in fact nuclear power or the nuclear generation be rolled back to allow renewable electricity generated in that region to reach Toronto and other areas?

Hon. George Smitherman: No. We don't envision a circumstance where we're going to give supremacy to one form versus the other. We would look at it as much as anything, I think, from the standpoint of grandfathering the use that's been existing there for decades. But what we are obviously envisioning in the 2010 to 2012 period is an incremental investment of \$3 billion to enhance our distribution and especially our transmission capacity to unlock much, much more renewable energy.

In the context of the Bruce, as you know, we're going forward with stabilization of the lines with a \$600- or \$700-million investment. This will certainly provide capacity to deal with the opportunities that are there in the Bruce, which are nuclear, with a very strong foundation and a long history, and an increasing amount of renewable energy. But no, we wouldn't be developing this in a fashion that sought to displace the requirements for transmission associated with the Bruce in favour of renewable energy. We look to add incremental capacity to allow more renewable energy projects to come online, like the one this past Friday where I had the opportunity of participating in the opening of almost 200 megawatts of wind power by Kincardine.

Mr. Peter Tabuns: So, as I understand it, then, if the transmission capacity in a region is not adequate to take the new renewable energy electricity that's being generated, then in fact you won't purchase that new renewable electricity?

Hon. George Smitherman: I think, more to the point, developers and investors in the province of Ontario are not going to be encouraged to bring projects online that don't have a capacity to get to the market where they're

required, which underscores the necessity for having the wherewithal to make the steps forward and to build transmission capability. We rather expect that the directives which we will be able to issue, which will give guidance to where Hydro One should be focusing its planning attention and its dollars for expansion, are going to be a strong signal to prospective investors about what kind of timelines there will be associated with transmission capacity. So we think the directives that we will issue will give strong guidance to the renewable energy sector about the prospects of having projects emerge in a way that can be instantly connected to the grid. We don't want to be in a situation, from a planning standpoint, where we've constructed capacity on the generation side that doesn't have a vehicle to get the power to the market centres.

The other thing is, it's quite challenging to—you know, nuclear power is a stable supply. It's baseload supply. Unlike coal, as an example, it doesn't respond so well to fluctuations in utilization, which is a technical challenge associated with the idea that you've presented, or the theory that—

The Chair (Mr. David Oraziotti): Thank you. That's all the time that we have, Mr. Tabuns.

Mr. Peter Tabuns: What a shame.

The Chair (Mr. David Oraziotti): Ms. Mitchell?

Mrs. Carol Mitchell: Thank you, Chair, and thank you, Minister, for your presentation.

As you know, Minister, there have been a number of concerns with regard to the setbacks. I was very pleased to hear that the MOE will not only be reviewing the environment, but looking to the health and safety issue as well.

I wanted to give you the opportunity to expand on that and I also wanted to hear more about the public input that will be allowed as the progression of the business case is presented and it has worked its way through.

Hon. George Smitherman: Sure. On this subject overall, I think it helps to highlight that this is a government-wide initiative. The bill itself addresses 15 different pieces of legislation, and substantial elements of it, on implementation, are the responsibilities of the Ministry of the Environment and the Ministry of Natural Resources, and certainly a ministry like agriculture and rural affairs plays a really strong role as well.

What we envision is a circumstance whereby instead of having this patchwork quilt—and there certainly is one. I asked for a list of charts—“Show me where municipalities have been landing on the issue of setback”—and it demonstrated that they were kind of all over the map. We know that some municipalities where the best prospects for wind lie are very small municipalities, and many have found it burdensome to be able to respond. We think it's important that the standard for wind be well informed by health and safety considerations, so the MOE will be looking at all the data that's available from other jurisdictions, and that we have a standard which is the same no matter whether you're in eastern Ontario, northern Ontario or southwestern Ontario. That's kind of

the model that we're working on. Some municipalities have been opposed to the province uploading those responsibilities; others have expressed satisfaction with that approach.

What I tried to say in my remarks is that the Ministry of the Environment will develop this and create, for any proponent of a project, a very clear list of criteria, reports, etc. that they will be expected to follow. Part and parcel of that, most assuredly, will be the absolute necessity of local dialogue. I know that some people have felt, “Oh, the municipal piece is out of play and these projects are just going to spring up overnight,” but to the contrary: The obligation on the proponent for a conversation in the local community will be embedded in the work that the Ministry of the Environment will task those project proponents to complete. If they do that work well and provide complete reports, we guarantee to turn those around in faster time than has been the history in our province.

1630

The Chair (Mr. David Oraziotti): Mr. Mauro.

Mr. Bill Mauro: We've actually responded, Minister, and thank you for your presentation to the question I was going to ask. You've elaborated on the fact that even though we've uploaded this responsibility, there will still be a significant opportunity for local proponents to meet a test in the community from people who are concerned about the establishment of projects in their jurisdiction. I want to thank you for that. That's one of the pieces I've been hearing a little bit about, although, as you've said, many have come back to me and said they are very happy with the fact that we've uploaded this responsibility, even though there are some who are expressing some concern.

Given that you've addressed that one for me, perhaps you could just talk, for me and for others here, a bit more about the feed-in tariff and how you feel that's going to complement the GEA.

Hon. George Smitherman: The feed-in tariff is really an evolved model of the government's renewable energy standard offer program. At the heart of it, it's kind of simple. It establishes, for a different form and scale of energy generation, the price that we're willing to pay for that. It creates certainty, and it does so in a way that can be associated with a 20-year contract, which is like double certainty.

At present, the Ontario Power Authority is consulting on the list of feed-in tariffs that we've proposed, and they're gaining input from a lot of different folks. What we sought to do in establishing the prices that we would be prepared to pay: We looked at our own experiences here in Ontario from our renewable energy standard offer program and from the competitive processes that we've run, and we sought to establish a price which was a good price—not just a fair price, but a good price—that has some degree of incentive, with the strongest incentives associated with small-scale projects, because we really want to encourage not just big developers that can invest \$50 million or \$100 million or \$200 million, but mom and pop on the top of the variety store or their local home, clusters of individuals living in the same neigh-

bourhood, school boards and local distribution companies and municipalities working together. We really want to create opportunities for thousands and thousands of points of microgeneration, and the feed-in tariff is very much modelled toward trying to encourage those as well.

The Chair (Mr. David Oraziotti): That's all the time we have. Thank you very much for your presentation.

ONTARIO GREEN ENERGY ACT ALLIANCE

The Chair (Mr. David Oraziotti): The next presentation is the Green Energy Act Alliance, if you'd like to come forward.

Welcome. You have 10 minutes for your presentation. There will be five minutes left for questions from members of the committee. Please state your name for the purposes of Hansard before you begin, and you can begin when you'd like.

Ms. Deborah Doncaster: Good afternoon, and thank you very much, Mr. Chair and members of the committee. My name is Deborah Doncaster. I'm the executive director of the Community Power Fund and chair of the Green Energy Act Alliance. My colleague is David Poch. He has been a lawyer advising the alliance. He has practised energy regulation and environmental law for over 25 years in Ontario.

We're here today representing the Green Energy Act Alliance and the current 315 members that constitute that alliance. I'll be focusing on why we believe that this act is a world-class act. David will be focusing on some refinements that we would recommend to the act.

The founding members of the Green Energy Act Alliance are as follows: The Ontario Federation of Agriculture, Community Power Fund, Environmental Defence, Ivey Foundation, the David Suzuki Foundation, the Ontario Sustainable Energy Association, First Nations Energy Alliance, World Wildlife Fund and the Pembina Institute.

We would like to say, on record, that the Green Energy Act Alliance believes that this is a world-class act and could potentially revolutionize our energy economy, manufacturing sector and local economies in Ontario.

We wanted to speak a little bit about what we see as the world-class features of this act. First and foremost, we believe that the act provides a feed-in tariff program that is a first-out-of-the-gate, comprehensive approach to a feed-in tariff in North America. There are many jurisdictions in the US that are scrambling to put feed-in tariffs into legislation, but there is nothing to date that's as comprehensive and aggressive as what Ontario is proposing.

In terms of world-class features, consumer impacts are another huge consideration for this bill. The proposed act provides the basis for the lowest-cost electricity option for Ontario consumers, we believe. Let's be honest: The price of electricity is going to go up in Ontario no matter which path we take. Generation today is more expensive than generation yesterday. Nobody can seriously argue

that conservation is not the lowest-cost option. Prioritizing conservation, as this bill does, is the best way to ensure lower bills. Renewable energy and high-efficiency cogeneration combined is the least-cost generation option today. The OPA's proposed feed-in tariff for wind, biomass, biogas and hydro all come in cheaper than what Wall Street currently tells us nuclear power is going to cost. With renewables and feed-in tariffs, we lock in the price and we avoid the risks of imported gas prices, nuclear cost overruns and poor performance.

Finally, we believe that one of the most significant features of the act is that it will create jobs—tens of thousands, hundreds of thousands of jobs. The proposed act and the relevant regulations have the potential to enable the greatest number of meaningful jobs, more than the OPA's previous plan, and those jobs can start today. Renewables and conservation are shovels in the ground today—and we need the jobs today. We, too, have commissioned a study, with the Political Economy Research Institute of the University of Massachusetts. Preliminary results shows that aggressive implementation of the Green Energy and Green Economy Act, the feed-in tariff program and related regulations will produce three times the number of jobs than what the IPSP had originally proposed. The government estimates of job creation of 50,000 are likely to significantly understate the potential. Just as importantly, jobs from conservation and green power occur across the province and a greater proportion of those jobs are ongoing. Distributed generation and conservation means distributed local jobs—and yes, I'm going to use the Germany analogy, much to the minister's chagrin, if he were here to stay for this.

The point of referencing Germany is not to compare supply mix possibilities or probabilities; the point of comparison with Germany is that it is a jurisdiction with a landmass one third the size of Ontario, and in Germany today they have 280,000 jobs in the renewable energy sector. They're producing 32,000 megawatts of renewable energy today; that's 100 terawatt hours per year, which compares to Ontario's total electricity demand of 150 terawatt hours a year. By 2030, Germany's renewable energy supply will grow from 15% to 50% of total requirements. The German government anticipates the jobs to be in the 800,000 to 900,000 range. In some ways, Ontario's energy plan is superior to Germany's because we are legally required to eliminate coal-fired generation by 2014 and the proposed act does not place caps or limits on the amount of renewables and conservation that can come into the system.

Mr. David Poch: While we're delighted to see the government moving ahead with this, we do have some suggestions for improvement which we think are most important. We're delighted that the minister seems to be inviting the committee to engage in that.

First off, the preamble of the Green Energy Act recites the government's commitment to promoting and expanding conservation and renewables, but it falls short of ensuring that government agencies such as the OPA, IESO and OEB will give these options the priority that's

intended. There is considerable inertia; explicit prioritization in the legislation for conservation and renewables in planning, regulation, procurement and operation by all of these agencies would be greatly of assistance in overcoming that inertia. Our materials spell out the particular sections where we think such changes can be made and I won't trouble you now with that.

Secondly, with respect to the feed-in tariff proposal—which we're, of course, great supporters of—to build a renewable energy industry in Ontario, to attract the jobs and investment, certainty is a key. It's apparent to us that this government is committed to a feed-in tariff approach, but potential investors, developers and manufacturers need assurance that subsequent governments are similarly committed. So we recommend that the legislation require feed-in tariffs as the primary mechanism for procuring renewables, as opposed to merely being permissive.

1640

With respect to resource intensity, this is where the ability to differentiate the feed-in tariff according to the local resource situation—for example, the speed of wind where the project exists. The act doesn't explicitly allow that. We think it should. This would mean that feed-in tariffs wouldn't overpay for projects in high-wind areas, and it would allow the tariffs to be available to communities that are not in the highest-wind areas. Communities and loads can't move around the province to take advantage of the highest-wind sites, nor is transmission necessarily available, in the near future at least, at the highest-wind sites. We've done some economic analysis—Hélimax did this for us. It shows that a feed-in tariff which includes this differentiation would in fact be no more expensive, but would facilitate greater community power and deeper opportunities for renewables.

The third area where we'd like to see improvement is the fact that, except in permitting local distribution companies to proceed in a limited way, the bill is silent on combined heat and power. If combined heat and power is defined to be only the highest-efficiency variety, which we favour, there's the potential to vastly increase the efficient use of gas that's being burned in any event to provide heat or steam in industry, in commerce, in homes and so on. Combined heat and power brings all the benefits of dispersed development, reduced reliance on wires, what have you, and it has the potential to support greater penetration of intermittent renewables. It's a nice marriage. To accomplish this, we simply say that the very sections in the act dealing with renewables—the feed-in tariffs, the obligations with respect to connection and so on—simply be extended to cover combined heat and power properly defined.

The fourth area is with respect to connection charges, the wires costs to hook up new generation. As we beef up our wires system to accommodate the new generation, the question is, who pays for it? Traditionally in Ontario and today in Ontario, we all pay for it. We witnessed the major investment in wires beef-up coming out of the Bruce nuclear facility. We're all going to pay for that.

That's not going to be charged to Bruce Power. The Ontario Energy Board has been suggesting that new wires costs should be borne by the renewable energy generators. We're very concerned about that and would like to see that possibility headed off in the legislation. It would not be a level playing field. It would inject great uncertainty for renewable energy generators' investors. Ultimately, ratepayers will pay for it regardless, because the tariff would then have to rise to compensate these generators for it. So it would needlessly complicate the tariff. It would have to take into account the individual impacts of wires charges, and if it didn't individually account for this, it would simply have to overpay all generators on the assumption that they might have such charges, which would be economically inefficient. So we say that the act should mandate what's called shallow connection charges. This is for the benefit of society. It should be borne broadly by society. It shouldn't be visited on a particular generator or a particular distribution utility, to be borne by all ratepayers.

Finally, a question came up earlier from Mr. Tabuns with respect to schedule B, section 5(2), which allows the minister to direct the OPA to procure. I'm comforted by the minister's comment that he has no intention of using that to go out and procure a nuclear plant or a gas plant without scrutiny, but I can assure you that the section as it's currently drafted would allow such a thing by this minister or subsequent ministers or governments, so I would strongly urge the committee to amend that. That power should be constrained so it can only be used for renewables, for conservation and for combined heat and power.

We made a number of other specific recommendations which I won't burden you with in my oral comments today. They're in our materials. We've also included recommendations on what we think are the important topics to hit in the regulation-making and directive-making process. I know this committee isn't charged with that, but it's there for members to inform that discussion.

We welcome your questions.

The Chair (Mr. David Orazietti): Thank you very much for your presentation.

Mr. Tabuns, questions to you first. You have about a minute and a half.

Mr. Peter Tabuns: Thank you for the presentation, first of all. It's a useful thing to have before us.

When you talk about combined heat and power, what's the threshold of efficiency that we're talking about when we want to specify something that's really going to make a difference?

Mr. David Poch: There's a threshold specified in federal tax law that qualifies combined heat and power for—I think it's section 43.

Mr. Peter Tabuns: Subsection 43(1), I think.

Mr. David Poch: Subsection 43(1). We would recommend that same threshold for simplicity, so we don't overburden industry in complying. It's a reasonably high standard.

Mr. Peter Tabuns: With regard to section 5(2), as written, it would allow the minister to simply authorize the purchase of power from a nuclear generator without reference to the OEB or any other regulatory body. Is that correct?

Mr. David Poch: That's right. The whole legislative regime, which currently has the OPA having to go before the OEB to have public review of its integrated power supply plan and OEB comment and request for change before it could proceed—none of that would apply. So, yes, as currently drafted, it would allow that, and we're very concerned about that. That, in our mind, is not part of a Green Energy Act.

Mr. Peter Tabuns: No; I would agree with that.

The Chair (Mr. David Oraziotti): Thank you. Ms. Broten.

Ms. Laurel C. Broten: Thank you very much for your presentation. I want to focus on the resource intensity amendment that you propose. I'm wondering whether or not you could speak to how that would require an alteration of the current feed-in tariffs that are out for consultation; secondly, whether there are other jurisdictions that we could look to with respect to the utilization of resource intensity; and thirdly, how it might affect the cost.

Mr. David Poch: It's a simple matter to change the feed-in tariff proposal that OPA has floated for comment. Paul Gipe, who's a well-known author on the topic, a North American expert, is on retainer to us. He has produced some material which he will be providing to the OPA and to the ministry in the coming days, which sets out how you do it in a simple, easily comprehended fashion. That shouldn't be a difficulty.

I'll leave it to my colleague to talk about other countries; I'm not familiar.

Ms. Deborah Doncaster: To the best of my knowledge, France is one of the few jurisdictions that have actually done feed-in-tariff differentiation on the basis of resource intensity. In terms of cost effectiveness, we did a study combined with Hélimax Energy Inc. to determine the effect of doing a tiered approach to pricing versus what the current proposition would be, and there's a minimal difference in cost if we were to do it this way, but considerable benefits in terms of getting more communities and more projects into the system.

Ms. Laurel C. Broten: Thank you.

The Chair (Mr. David Oraziotti): Thank you very much. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Deborah and David, for joining us today. I had a couple of these questions for the minister, but unfortunately my colleague used up all the time.

Interestingly, the last presentation of the other day was from the Community Power Fund, a colleague of yours, and the first presentation today is from the Green Energy Act Alliance, which the Community Power Fund is part of. Certainly, the government has worked hard to ensure that all of its proponents are here before the committee.

I have a couple of questions, because you like to use the German example, but, like the minister, we only

sometimes get part of the story from the proponents of a certain side. Everybody's got their agenda. A friend of the act, a professor from York, José Etcheverry, was here the other day, whom I'm sure you know well.

Ms. Deborah Doncaster: Yes, we know him.

Mr. John Yakabuski: When we talked about the price of power in Germany and Denmark, he said, "Well, that's not important, because the consumers pay that high price, but the industry doesn't." I wanted to ask the minister if he's actually planning to increase the cost to consumers and homeowners in the province of Ontario in favour of industrial land or commercial users. Do you, as an alliance, support that approach—the German, Danish and Spanish approach, and much of the EU—to burden homeowners with a greater share of the electricity costs?

Secondly, I'd like to ask, because I know you are proponents of the act: Does your organization—and if so, how much—receive funds either directly from the ministry or through other publicly funded organizations such as the Ontario Trillium fund?

The Chair (Mr. David Oraziotti): You have about 30 seconds to answer the question.

Ms. Deborah Doncaster: No, to the latter question.

To the first question, the average German consumer pays \$50 a year for the added benefits of a significant amount of renewable energy into the system. That's based on comparing past costs of electricity. As I mentioned in my presentation, no matter what path we follow, we're talking about increased costs. We do not believe that the green energy portfolio that will be presented through the tariff program will add costs to the ratepayer.

David will respond to the industrial issue.

Mr. David Poch: My understanding of the German regime is that for an industry to qualify to be shielded from paying any costs towards their program, they need to demonstrate that they would be at a disadvantage relative to competitors in other jurisdictions in their sector, and so on.

Mr. John Yakabuski: We've lost 300,000 jobs—

Mr. David Poch: I think the Americans are losing jobs too.

The Chair (Mr. David Oraziotti): Thank you very much for your comments. That's all the time we have for your presentation.

1650

MARK WINFIELD

The Chair (Mr. David Oraziotti): Our next presenter is Mark Winfield.

Good afternoon, sir. You have about 10 minutes for your presentation. There will be five minutes for questions from members of the committee. Can you please state your name for the purposes of Hansard, and you can begin when you like.

Mr. Mark Winfield: Thank you, Mr. Chairman. My name is Mark Winfield. I am an assistant professor of environmental studies at York University and also coor-

dinator of the joint program in law and environmental studies at York.

The sustainability of Ontario's electricity system is a major focus of my current research. I was principal co-investigator of a sustainability assessment of the integrated power system plan filed with the Ontario Energy Board last July, and I'm currently working on a study of the regulatory and policy framework in Ontario around conservation and demand management initiatives on the part of local electricity distribution utilities.

Bill 150 is a very ambitious and complex piece of legislation. I'm going to try to cover as much of it as I can and keep my remarks short at the same time.

I want to contextualize my remarks by saying that over the past seven years I've been a very strong proponent of the rapid and large-scale deployment of low-impact renewable energy sources as a means of enhancing the sustainability of Ontario's electricity system. In that context, I welcome the overall direction of the act, and in particular its mechanisms intended to facilitate the integration of low-impact renewable energy sources into the electricity grid, to establish a funding mechanism for energy conservation and renewable energy programs provided by the Ministry of Energy and Infrastructure, and to expand the mandate of the Office of the Environmental Commissioner of Ontario to include reporting on the province's progress on energy efficiency and greenhouse gas emissions.

At the same time, there are a number of provisions to the bill that, while moving in the right direction in principle, could be improved significantly, and I want to highlight a number of these areas.

One of the things the bill does is to, in effect, re-enact the Energy Efficiency Act as part of the Green Energy Act. The bill, in my view, fails to take the opportunity to do a number of things which would bring Ontario's practice into line with other leading jurisdictions in North America, like California and British Columbia; in particular, requiring that the standards made under the legislation be consistent with the highest standards in place in North America currently, and consistent with practice in California to mandate a regular three-year review of the standards.

One of the things this piece of legislation does is it actually establishes the mandate of the new Ministry of Energy and Infrastructure, and I've made a number of suggestions to strengthen and clarify that mandate, particularly related to energy efficiency, low-impact renewable energy sources, and, in particular, to establishing an energy conservation agency within the ministry to lead and coordinate the province's efforts on energy conservation.

In addition, the ministry's mandate now covers a number of areas, particularly infrastructure for transportation and urban development and electricity, that were identified as providing the overwhelming bulk of the greenhouse gas emission reductions that are to be delivered under the province's climate change strategy. These areas are also likely to be heavily affected by the impacts of

climate change, and the ministry's mandate should reflect these responsibilities in the areas of climate change mitigation and adaptation.

I share with Mr. Poch a number of suggestions around the energy conservation mandates of the Ontario Energy Board, the power authority and local distribution companies, in particular, again, to bring our legislation into line with current practice in other leading jurisdictions, particularly California and more recently British Columbia, to mandate all of these entities to pursue all cost-effective opportunities for energy conservation and efficiency before going to new supply resources and to define "cost-effectiveness" for these purposes to include the environmental costs of new supply that would be avoided through conservation measures.

Finally, several schedules of the proposed legislation introduce significant changes to the institutional and regulatory framework for electricity and renewable energy initiatives in Ontario. I think a number of these provisions require some very serious consideration by members of the committee. I am concerned, in particular, by the elimination of the position of the chief conservation officer and the Conservation Bureau within the Ontario Power Authority. A legislatively mandated entity with responsibility for providing leadership in energy conservation planning and programming, in my view, should be retained within the power authority.

I am very concerned by the provisions of the bill that would in effect create a separate approvals process under the province's environmental legislation for renewable energy projects. I have a number of concerns about this, one being that I'm not actually sure this is the best way to achieve the facilitation of approvals. I think it's going to turn out to be a lot more complex and time-consuming to create new approvals processes as opposed to making incremental adjustments in the existing processes.

The problem we've got here, really, is that the existing processes have not dealt with these types of projects before. There's no policy guidance around them. There are a number of mechanisms under the existing legislation through which that problem could be addressed, be it guidance under the Environmental Protection Act and the water resources act, be it amendments to the provincial policy statement under the Planning Act. There are a number of different ways in which this could be dealt with. I think this would be much more efficient. Indeed, I'm also concerned by the precedent that this would set in terms of setting up a separate approval process for other types of projects which might come along and claim to be green or otherwise face difficult or unusual approvals processes.

I'll end my comments there, and I'm happy to take questions.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. The Liberal caucus is up first. Ms. Broten?

Ms. Laurel C. Broten: Thank you for your comments. I'm wondering if you can just speak to the issue with respect to the approvals process. I just want to have

the discussion with you with respect to the one-window approach. We have had a history in the province of those seeking to put renewable power in place being challenged by what they've described to us as sort of a ping-ponging between various ministries and not really ever being clear about what process would be required, and the layering-on of various approvals. I'd like your comments with respect to that, and speaking to the fact that there has been guidance, there has been assistance provided in all of those projects, but we still have had the feedback that we need to do more.

Mr. Mark Winfield: I preface it by saying that my understanding of the situation is that relative to the problems of policy instability and grid access, this has been a less serious problem on the part of renewable proponents.

That said, I do think that there is still considerable room for adjustments to the existing approval process. We have not provided clarity under the Provincial Policy Statement, for example, as to how these should be dealt with in the planning process.

My concern is that, as I said, aside from the issue of the precedent, I think it might turn out to be a lot more complex to create a new process from scratch—and I think that's already becoming a little bit evident—than to take the opportunity to first try making incremental adjustments to the existing process by providing additional clarity and guidance to the agencies and to proponents about when approvals are needed and when they are not, and then to provide some specificity about what sorts of conditionalities might be there.

At the moment, we don't really have that. We certainly don't have it on the land use planning side. Part of the reason you get this hodgepodge of results is because municipalities have had no real guidance from the province about how to deal with these.

I'm also concerned that you may actually exacerbate social conflict if you cut some of these actors out of the process altogether rather than resolve it. That's why I'm suggesting a somewhat more conservative but, I also would argue, potentially more effective way of dealing with the problem.

Ms. Laurel C. Broten: I don't know if you were here earlier when the minister spoke to setbacks. I'll just pick up on the point that you've made with respect to the hodgepodge—we describe it sometimes as patchwork—with respect to setbacks and the lack of expertise within municipalities to deal with these things. What are your comments with respect to the role that the province can play in facilitating that?

The Chair (Mr. David Oraziatti): You have about 30 seconds to respond, so if you can—

Mr. Mark Winfield: I think that's exactly the sort of thing that an amendment to the provincial policy statement could deal with. Because of the Bill 26 amendments to the Planning Act, it's binding on municipal councils, municipal boards and provincial agencies. It's the obvious vehicle to provide that precise—and it is there for that purpose—province-wide guidance in how we deal with these types of decisions.

The Chair (Mr. David Oraziatti): Okay, thank you. Mr. Yakabuski?

Mr. John Yakabuski: Thank you very much, Mr. Winfield, for your presentation today. Clearly, even though you certainly support the concepts, you suggest that there are some issues in this act that require some further discussion and/or amendment.

1700

I have to be honest with you. It's hard to hear every word with these air conditioners going here, burning all that power, but I did request it to be cooler because it's awfully warm when that sun comes in here.

We also see the overriding of all municipal decision-making powers as something that could actually create more problems than it solves, because people are members of a community first. When they see a government usurping the power that has been bestowed upon their elected officials, the ones they see every day on the street or go to church with, or their kids go to school together or whatever—they really see them as the real spokesmen for them in communities, particularly in small communities and rural areas. This act is really all about usurping that power of those small-town Ontarians and rural people. So would you be prepared to suggest some real amendments to the act that would improve upon the way that it could be implemented, and not in such a draconian way that it allows the minister to currently do?

Mr. Mark Winfield: In effect, I think I'm in some ways going even further and saying that what are in those schedules of the act need to be rethought in principle at this stage of the game. There are other mechanisms through which the necessary guidance can be provided to municipalities and to provincial agencies which are somewhat less spectacular but might actually get us to where we want to be more efficiently while still leaving space for incorporation of local knowledge and local considerations into decision-making.

Mr. John Yakabuski: Can you give me the schedules in the act? Because it's easier for me to get them from you—because I know that you know—than me trying to find them out.

Mr. Mark Winfield: In particular, schedules G, H, L and K are the ones that deal with the approvals process. I think one really needs to think about where we're trying to get to here and what is the best mechanism for getting there, which is to facilitate the deployment of these technologies but also to get to decisions which are seen as legitimate and accepted by the host community, as opposed to exacerbating social conflict.

The Chair (Mr. David Oraziatti): Mr. Winfield, thank you very much. That's the time. Mr. Tabuns?

Mr. Peter Tabuns: Mark, thanks very much for the presentation. It's very useful. This is a question I asked the other day, and I want to check with you as well. I haven't had a sense that renewable energy projects have been held up that much by local approval authorities. The larger problem has been transmission and distribution constraints. Is there any significant pushback against

renewable energy that's been slowing down its implementation at the local level?

Mr. Mark Winfield: There is some. There's no question that there have been some cases where local objections have emerged. We're still in the process of feeling our way through this. This is an issue which has emerged in other jurisdictions as well. There are occasionally quite significant conflicts within communities, because there is also significant support in many rural communities for large-scale deployment of renewables as well. We need to keep that in mind.

Mr. Peter Tabuns: Yes, that's right.

Mr. Mark Winfield: At the same time, in my mind, the issue is how we get to a point where deployment happens more quickly and, at the same time, leave some room for local input and interests in the decision-making process. As I say, I think there are ways that you can adjust the existing decision-making processes to do that as opposed to trying to reinvent the process from the ground up.

Mr. Peter Tabuns: Can you suggest what those ways might be, in your remaining seconds?

Mr. Mark Winfield: Indeed I can. I think there could be substantially greater policy guidance around environmental approvals under the environmental legislation. There could be various amendments to the provincial policy statement with respect to the Planning Act. Those would be two obvious vehicles as a way of providing clarity and consistency from the province, which is binding on decision-makers, but without necessarily taking the step of throwing the existing process out the window and starting from scratch.

The Chair (Mr. David Orazietti): Thank you very much, Mr. Winfield. That's all the time we have for questions.

WORLD WILDLIFE FUND OF CANADA

The Chair (Mr. David Orazietti): Our next presenter is the World Wildlife Fund of Canada.

I just want to remind members that we're trying to keep on schedule with the presenters. We've got a lengthy list and time is limited. If you'd like to use your time to, as you know, make a statement or get on the record, that's fine, but perhaps some of our individuals will not have time to respond to your questions or comments. Make that noted.

Anyway, if you'd like to start your presentation, just start by stating your name for the purposes of Hansard. You have 10 minutes. There'll be five minutes left for members of the committee to ask questions.

Mr. Keith Stewart: My name is Keith Stewart. I'm the climate change campaign manager for World Wildlife Fund Canada. I actually think I did my first presentation on electricity planning in this province back in 1991, so I'm delighted to be here today. I'm significantly more optimistic now than I was then. I've also written a number of reports for environmental groups on electricity

in this province over the last 10 years. In 2003, I actually co-authored a book on the history of electricity, politics and policy in Ontario, copies of which were sent to all MPPs at the time. If anyone doesn't have one, I'll try and get one to you.

You may wonder why someone who works for an organization which has a panda for a logo cares about terawatt hours. The simple explanation is that burning fossil fuels to generate electricity is the single largest source of greenhouse gas emissions globally. It's bigger than transportation—not in Canada; in Canada, transportation's bigger, but electricity is still up there. Climate change caused by greenhouse gas emissions is the greatest threat to biodiversity on the planet. Climate change is also, of course, a threat to human beings. Even the practitioners of that most dismal of sciences—particularly dismal these days—economics, are telling us that it will cost our economy a lot more to clean up the damage from unrestrained global warming than to avoid it in the first place.

I must confess, however, to being initially rather skeptical about the need for new energy legislation. I was focused on the plan, the OPA's integrated power system plan, and have spent more hours than I care to admit poring through tables, drafting counter-evidence and participating in consultations on it and in the Ontario Energy Board hearings on that plan.

What brought me around to supporting the Green Energy Act was a recognition that the solutions we were putting forward, even when technically sound and pursued with the best of intentions, were being thwarted by processes designed for a different kind of electricity system. They were designed for the system we had, not the system we need. This is why we need a Green Energy Act. The energy system is going through the same kind of changes that the computer and phone industry went through in the 1990s. Just as we went from mainframe computers to laptops, the Internet and user-generated content, from Ma Bell to BlackBerries, the energy system is going through a period of rapid technological and systemic change. From centralized generation and conventional fossil, nuclear and large hydroelectric stations that transmit power in a one-way grid to energy consumers, we're now looking at a world with decentralized generation from renewables and high-efficiency, combined heat and power operations, where power travels both ways through a smart, green grid that looks a lot more like a web than a spoked wheel, where energy users are also energy producers and the system is pursuing all opportunities to increase the efficiency with which power is used rather than treating the consumer as a black box.

The Green Energy Act modernizes the rules governing this system, and I think one of the most impressive aspects of this piece of legislation is how it incorporates an understanding of the kind of systemic changes we are experiencing and positions this province to be a leader in the 21st-century green energy economy.

There are, however, some improvements that can be made. So on behalf of WWF Canada, I'd like to support

all of the recommendations made by the Green Energy Act Alliance, of which we are a part. We hope that these recommendations will be seen as friendly amendments intended to help this legislation achieve its full potential. What that would look like on the ground, in where our power comes from and how it is used, is dealt with in the 2008 Renewable is Doable report, of which you now have a copy of the executive summary, and the full report has been mailed to your offices. We can provide more copies if you'd like.

As you can see, we made seven recommendations in the report, and the Green Energy Act goes a long way to addressing five of them. Of the remaining recommendations, the one on boosting the total amount of conservation, renewables and cogeneration and making space for this by bumping down gas and nuclear would perhaps best be addressed in the planning process for the new IPSP rather than the legislation itself. But, as recommended by the Green Energy Act Alliance, the legislation should be amended to clarify that large, centralized, non-renewable generating stations require IPSP approval.

The one thing I'd like to focus on today is the inclusion of high-efficiency cogeneration, or combined heat and power, in the Green Energy Act with a feed-in tariff and grid access similar to that granted renewables. CHP, if defined to include only highly efficient generation, offers the potential for recycling waste heat and pressure into useful electricity and a much more efficient use of our scarce gas resources while reducing the pressure on the transmission and distribution grids because power is being generated close to where it is used.

I like to think of cogeneration as a form of energy efficiency. Currently, we tend to burn fossil fuels in one place to produce heat and pressure and in another place to generate electricity, but if you bring those two sets of activities together, we dramatically increase the overall efficiency of fuel use. We don't do this now because we have traditionally separated energy systems into heat, or thermal power, and electricity, and neither regulatory system likes to deal with the other. This is a shame, because a lot of our industries, like steel mills or cement plants that use a lot of energy, are missing out on the opportunity to turn what is currently a waste product of theirs—heat—into a revenue stream, which would help make them more competitive in the global economy while generating power that we need for our electricity system with no incremental environmental impacts.

1710

The Green Energy Act represents the chance to change this wasteful situation. It is in line with the general orientation and principles of the act, and we should not miss out on this opportunity.

Thank you very much for this chance to speak with you, and I'd be happy to answer any questions you might have.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. We'll start with the Conserv-

ative caucus. Mr. Yakabuski, you have about two minutes.

Mr. John Yakabuski: Thank you very much for your presentation, Keith. Certainly, combined heat and power is an aspect of the industry that we haven't tapped nearly enough. I think everyone is in agreement that that's something that we can do a whole lot better on.

I do have some questions. You did talk about the threat that greenhouse gases are. Do you know what percentage of greenhouse gases produced worldwide are produced in Ontario?

Mr. Keith Stewart: The percentage produced, out of the global emissions, is low because we're a small number of people. However, our per capita emissions are amongst the highest in the world.

Mr. John Yakabuski: We understand that, but do you know the percentage?

Mr. Keith Stewart: It's a little over 2% for Canada, which is comparable to the entire emissions of the poorest billion people on the planet—

Mr. John Yakabuski: We understand that, but—

Mr. Keith Stewart: And so in Ontario, it is 203 megatonnes as of 2006. Out of global emissions, that would be less than 1%. But we all have a responsibility to do our fair share.

Mr. John Yakabuski: I understand that. In Germany, for example, their wind is being backed up with coal. They're in the process of building at least 15 new coal plants to back up their wind because the wind is inherently unreliable because it's not dispatchable; they can't turn it on and turn it off. So they're actually in the process of increasing greenhouse gas emissions by burning more coal to back up the wind.

The suggestion here is that we're going to be burning natural gas because we have to back up the wind. Well, natural gas is certainly not CO₂-free, so how do we get to be green if we have to back up the renewables with the power sources that actually produce emissions?

The Chair (Mr. David Orazietti): You have about 30 seconds to answer the question.

Mr. Keith Stewart: First of all, I think we should distinguish between coal plants planned and coal plants built. In the same way in Ontario, if you look at all the nuclear plants planned versus nuclear plants built, it's a tiny fraction.

In Germany, the wind is coming online. They have a system predominantly based on coal and so every kilowatt hour coming out of a wind plant is displacing power from coal. If the wind isn't blowing, yes, they ramp those coal plants back up, but the default would be that that energy would be coming from coal anyway, which is why Germany has reduced their greenhouse gas emissions by 18% since 1990. In Canada, our emissions have increased 21.7% since 1990.

The Chair (Mr. David Orazietti): Thank you very much. That's all the time we have for your questions. Mr. Tabuns.

Mr. Peter Tabuns: Keith, thanks for the presentation. Are there any amendments to this bill that you would suggest?

Mr. Keith Stewart: Yes. We'd like to see the combined heat and power plants also being included in sources of energy that would have a feed-in tariff, and that feed-in tariff would be determined by regulation, not within the legislation itself. We'd also like to have combined heat and power included in the same sort of priority grid access that renewables get. We also support the other list of amendments from the Ontario Green Energy Act Alliance. I really want to focus on that one because it often doesn't get—it's not as pretty as windmills.

Mr. Peter Tabuns: I know.

Mr. Keith Stewart: Well, pretty to me, but it's very important, I think, for our system overall.

Mr. Peter Tabuns: And what's the total capacity of CHP in Ontario that has been calculated?

Mr. Keith Stewart: According to a Ministry of Energy report from 2000 to 2002, it was 14,000 megawatts, which is a lot. How much of that is technically achievable and economical is open to question. It's certainly, at a minimum, 3,000 megawatts, and perhaps as high as 9,000 megawatts. So we'd say, "Let's go after that 3,000 megawatts first," and after we've pursued that, we'll see where we go from there. But I think certainly, the folks down at Stelco and Dofasco—they're having difficult times right now, but this is just the kind of time to try and provoke these investments, which will mean that those modernized, upgraded plants will continue to produce in the future.

The Chair (Mr. David Orazietti): Thank you. Ms. Broten.

Ms. Laurel C. Broten: Thank you, Keith. Are there other jurisdictions that we can look to for guidance when it comes to better uses of combined heat and power?

Mr. Keith Stewart: Yes. Certainly, if you look at the northern Europeans, Denmark is getting about 50% of its power from combined heat and power units. That was a decision they made back in the 1970s as they tried to get off of oil. Germany is actually, I think, really the exemplar of promoting farm-based combined heat and power units, which are, I think, really important. They're also adapting in a bunch of their industries. Brazil is actually ahead of us in terms of industrial applications of combined heat and power. In many ways, North America has been locked into sort of old-school thinking on this, and because Europe has much less generous endowments of energy resources, they've had to be much more frugal with what they have. So I think we can look to places like Germany, Denmark and even, actually, places like Brazil in terms of new industrial applications for combined heat and power.

Ms. Laurel C. Broten: I have had some individuals who have said that CHP cannot be treated in the same vein as true green electricity—that it's not. Do you want to speak to that?

Mr. Keith Stewart: It's not the same as renewable. Ultimately, we will have to green the source of heat that

is producing this, but as a transitional step, you're essentially getting kilowatt hours without incremental environmental impact. So if we're melting rock to make steel, you have a lot of heat left over; we can turn that heat from the coke ovens and from the smelters into electricity. You're not burning any new fuel. I wouldn't say, "Shut down the steel plants and just move them somewhere else," because that actually isn't a net benefit to the climate, so let's clean up what we have here. We actually have, I think, the brains and the skilled labour in order to do that and match anyone else in the world.

The Chair (Mr. David Orazietti): That's all the time we have. Thank you for your presentation.

STORMFISHER BIOGAS

The Chair (Mr. David Orazietti): The next presenter is StormFisher Biogas, Ryan Little.

Good afternoon. You have 10 minutes for your presentation, and five minutes will be left for questions from members of the committee. Just state your name for the purposes of Hansard, and you can begin as soon as you like.

Mr. Ryan Little: Thank you. My name is Ryan Little. I'm the vice-president of business development for StormFisher Biogas. Thanks very much for inviting me to speak today and to submit this written presentation, which will provide more background than what I will provide right now.

Three years ago, I co-founded a renewable energy development company that builds biogas plants. I started this company because I wanted to make the largest positive impact I could on the environment, and I clearly saw that this was the best opportunity to do so. Today, StormFisher Biogas has the backing to build as many as 30 plants across North America, and that makes us the most highly funded biogas company in the world. My hope is that the Green Energy Act, when translated into regulation, will allow us to build as many of these plants as possible in Ontario.

Until recently, developers of renewable energy projects had been abandoning Ontario. That the standard-offer program for renewable energy was frozen for almost a year while companies like ours, along with wind and solar companies, had been in mid-development was nearly a fatal blow to the province's budding green economy. Today, the Green Energy Act has the potential to again attract developers, as the standard-offer program did in 2006, and once again make Ontario an example for other North American jurisdictions to follow. But this all depends on how the regulations unfold.

You've likely heard much from wind, solar and water industries, which are better organized and more mature than the biogas industry. So I'd like to present some viewpoints that are specific to my industry.

The opportunity for biogas, based on a 2008 report by the Ministry of Agriculture, Food and Rural Affairs, could save the food processing industry \$118 million and generate 389 gigawatt hours per year of clean electricity.

Using OMAFRA's numbers, this could mean as much as \$378 million in direct capital investment, the offset of 283,000 tonnes of CO₂ equivalent and the creation of 530 jobs.

Biogas is, according to a Swiss study, the cleanest form of renewable energy available from a full life-cycle point of view. Anaerobic digestion uses food processing and agricultural by-products in a productive manner, taking these out of landfills and away from raw-land application, all while destroying methane, weed seeds and pathogens and reducing odours. It serves the electrical grid as distributed baseload power, which is essential to an electrical grid that is increasingly under strain. Biogas is also a source of renewable heat.

I can tell you firsthand that today, Ontario is a more challenging environment in which to develop these projects relative to US states like Wisconsin, where we're currently building a five-megawatt plant. This is in part because the regulatory environment here is exceedingly complex. Because biogas is new to Ontario, our projects currently require approvals, interpretation or guidance from the Ministries of the Environment; Energy and Infrastructure; Municipal Affairs and Housing; Agriculture, Food and Rural Affairs; and Finance; and the Ontario Power Authority, Ontario Energy Board and Hydro One. We're very happy to work with these groups to figure out where biogas fits and what kinds of regulations are appropriate to safeguard Ontario, though we would like to see a more coordinated approach across these groups. Our hope is that the Green Energy Act will help to streamline this through the renewable energy facilitator.

1720

I'd like to put forth three specific issues on behalf of developers of biogas plants. These are:

First, do not punish first movers. At present, there's only a handful of biogas plants in the province that have obtained a RESOP contract at 11.9 cents per kilowatt hour. Some of these plants are built and some are not yet. The new feed-in tariff, which pays 14.7 cents per kilowatt hour for electricity produced from biogas, puts these first movers at a disadvantage, as tipping fees for feedstock are part of a competitive market and new developments would de facto be able to accept feedstock at a lower rate than those plants operational under the RESOP. This is a challenge distinct to biogas and biomass projects, as the wind, sun and water will not blow to different windmills, shine on different solar panels and flow through different water turbines based on price. To provide a level playing field and not put early movers at risk, the new feed-in tariff that's proposed should extend the elevated new price to the small number of biogas plants that have executed RESOP contracts.

Second, I think it's important to renew the PST exemption for renewable energy developers. As of January 1, 2008, the PST exemption that had, at that time, been available to Ontario developers of renewable energy projects expired and was not renewed, severely affecting the financial viability of new projects. Meanwhile, the US is providing sweeping tax relief to producers of renewable

energy. In order to attract new renewable energy investment, renew the PST exemption for renewable energy projects in whatever form makes sense under a potentially new harmonized tax.

Finally, provide incentives to encourage Ontario renewable energy development. Ontario has made strides in attracting and maintaining a clean tech and renewable energy workforce through programs like the Next Generation of Jobs Fund, but the reality is that in the absence of major government-backed capital and tax support, Ontario is not competitive with the US, given the Obama administration's new programs like the investment tax credit and the production tax credit. More can be done to encourage development here. This includes providing capital assistance in the form of grants, loans and tax-exempt bonds for renewable energy projects. This is of particular importance, given the economic climate. Also, providing access to government land, especially brown-field sites which can be developed as renewable energy sites as the EPA has done in the US.

Thank you very much for your time and attention and for your work on this important legislation.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Mr. Tabuns, you're first up for questions. You have about a minute and a half, two minutes.

Mr. Peter Tabuns: Thanks very much for the presentation. I appreciate it. How much capacity do we have today in terms of megawatts installed?

Mr. Ryan Little: The OMAFRA study says that there's the potential for about 53 megawatts of biogas power.

Mr. Peter Tabuns: And do we have any megawatts being produced today?

Mr. Ryan Little: In Ontario we probably have about two megawatts producing.

Mr. Peter Tabuns: Okay, so these are very small-scale, broadly distributed?

Mr. Ryan Little: It's small-scale but it's baseload.

Mr. Peter Tabuns: And when you talk about 53 megawatts of capacity, what would be the typical size of a plant?

Mr. Ryan Little: The typical size that we model is usually about three megawatts.

Mr. Peter Tabuns: I asked the minister earlier today about access to transmission, and you note in here the problem with orange zones. Now, what he had to say was that those orange zones would continue until such time as transmission constraints are dealt with. Are a significant number of the biogas opportunities that you're aware of currently located in orange zones?

Mr. Ryan Little: A number of them are. In orange zones, it may be possible to put up projects that are below, say, five megawatts. Orange zones, I think, were really put in place for larger wind and solar projects. There is an alternative. Because biogas is transportable, there's actually a very elegant solution that exists in Germany, where a premium of two cents per kilowatt hour is paid. That's to upgrade the biogas to pipeline-

grade natural gas transported to, for example, an urban centre, and they draw that gas at that place where both the electricity and the heat could be used.

The Chair (Mr. David Oraziotti): Thank you. That's all the time you have. Mrs. Mitchell.

Mrs. Carol Mitchell: Thank you very much for your presentation. My riding is in an orange zone, and we provide all the nutrients.

One of the issues of moving forward biogas is that there are a number of restrictions by our municipalities with regard to nutrients: You must own the land where you're going to apply your nutrients and you cannot haul the nutrients. If you can get past that—because you certainly need a certain amount of capacity in order to produce biogas.

I guess I'm looking to you to speak to how we start to address those concerns, in your mind. If you can even get past that, then how are you going to get to the next phase, which speaks to a waste site versus the nutrients—or if you go to a richer mixture, which produces more biogas?

Mr. Ryan Little: Right. With respect to the designation of a waste site, for our early plants, we're going through that designation so that it will be designated waste.

With respect to the first question, that's a more challenging issue for us. We're meeting with the Ministry of the Environment on that very issue this Tuesday. It's an important challenge, and I think the Ministry of the Environment is open to finding a solution for that, but it's something that we've got to discuss more.

Mrs. Carol Mitchell: Thank you.

The Chair (Mr. David Oraziotti): Thank you very much. Mr. Yakabuski.

Mr. John Yakabuski: Ryan, thanks for joining us today. I find the issue of biogas very interesting, because it addresses the needs of a very important, integral, essential industry that struggles in this province, and that is agriculture. It allows them to be part of the energy solution. This is one of those common occurrences where the member for Huron—Bruce and I are probably going to be closer to being on the same page—maybe not on the same window, but on the same page.

Your contentions and assertions that there are some things that need to be changed: I certainly support the idea that somebody who's in—because biogas here in Ontario is pretty new relative to getting many things off the ground. I have a couple of developments in my own riding. One is only 50 kilowatts and it's not economical at the current rates. But it's also a challenge, even under the act, on the right to connect. It's not an absolute right; it has to be assessed.

Is there a level at which biogas producers would be willing—and I understand that in some areas, you can't transport. But if you're in an area where you can transport the fuel, which is of course animal waste, which we have to deal with as farmers anyway—if you can transport that and maybe have a little bit larger projects—you talked about a five-megawatt; now we're talking some serious generation capacity there. One of the problems is

that where they're very, very small, they can't afford to connect. But even a right to connect doesn't give them an absolute certainty that they'll be able to connect if there simply isn't the economic viability there.

Has your group's association, the OFA or whoever talked about sort of amalgamating in that respect?

The Chair (Mr. David Oraziotti): You've got about 30 seconds to respond. That's all the time that's left.

Mr. Ryan Little: That's exactly the model that we've taken here and why this issue of nutrients from different farms is very important. The largest dairy farms in Ontario have about 1,200 cows. In Wisconsin, we're dealing with farms that have 8,000 cows. So the reality of building one plant on one farm that's economically viable doesn't really work. For us, this was always a co-operative model.

The Chair (Mr. David Oraziotti): Thank you very much. That's all the time we have.

1730

GREENPEACE CANADA

The Chair (Mr. David Oraziotti): Our next presentation is Greenpeace Canada.

Good afternoon, sir. You have 10 minutes for your presentation. If you'll just state your name for recording purposes. You can begin when you like. You have 10 minutes, and there will be five minutes left over for questions from members of the committee.

Mr. Shawn-Patrick Stensil: Thank you very much. First, an apology: I've been struck by the cold that is wreaking havoc, so if I squeak during my presentation, please forgive me.

My name is Shawn-Patrick Stensil. I am an energy and climate campaigner with Greenpeace Canada. I would like to thank you for this opportunity to present today on Bill 150, the proposed Green Energy Act.

Je vais faire ma présentation en anglais, mais s'il y a des francophones, je peux prendre des questions en français si vous voulez.

First, a compliment: Greenpeace supports the passage of the Green Energy Act. Greenpeace believes the Green Energy Act could provide the right vehicle for building a renewable-based electricity system and green energy economy in Ontario, if green power is allowed to expand and replace aging nuclear stations.

In the short time I have with you today, I will focus my presentation on two amendments that Greenpeace believes will assist in reaching the goal of building a green energy future for Ontario. The first issue concerns something that should be withdrawn from the act: the ability of the minister to indiscriminately procure nuclear reactors. The minister noted in cross-examination that this was not the intent of the act, so we're in agreement. The second issue concerns something that should be included in the act, which has also been brought up a number of times: the inclusion and expansion of combined heat and power in the Green Energy Act and in Ontario, which the minister also agreed with.

First, something to withdraw from the act: Greenpeace is deeply concerned about the specific wording in schedule B, subsection 5(2), of the act which amends and expands the energy minister's existing power under the Electricity Act. Specifically, the amendment empowers the minister to direct the Ontario Power Authority to undertake "the procurement of electricity supply or capacity, including but not limited to supply and capacity derived from renewable energy sources." Simply put, the Green Energy Act, as it reads, would give the minister and the government the right to build reactors without any public scrutiny or approval from the Ontario Energy Board. Such a power, I submit, is contrary to the stated intent of the act: to promote the development of green energy. It also deprives Ontarians of their only remaining public forum to scrutinize alternatives to the government's nuclear plans by eliminating the current requirement for reviews at the Ontario Energy Board.

I would like to remind the committee that Ontarians are still paying off the \$30 billion of nuclear debt from the construction of the first generations of reactors. In the report that I've distributed to you, I discuss how the cost of building new reactors has more than doubled since the government first developed its electricity plan in 2005. So these cost estimates do need scrutiny.

As I also note in the report, this government also has an unfortunate record of bypassing environmental reviews on both the electricity plan and nuclear plants that would provide an opportunity for discussion of alternatives. So this issue of exempting at the OEB is quite significant.

As noted, the power to procure nuclear reactors in subsection 5(2) is contrary to the intent of the Green Energy Act. The power, if used, would also foreclose, I argue, on the development of a green energy-based electricity system in Ontario.

The minister stated in dialogue with Mr. Tabuns that he did not intend subsection 5(2) to include nuclear. He did say that he intended it to include combined heat and power. I, thus, would make a friendly recommendation that that line be amended to read "the procurement of electricity supply or capacity, limited to supply and capacity derived from renewable energy sources or high-efficiency combined heat and power."

Similarly, the issue of combined heat and power is something I think that should be included in the act, as I noted in that amendment. Keith from WWF discussed this in much more detail.

Ms. Broten, you asked a question regarding how we should consider CHP as a green energy alternative. As a rule of thumb, I would suggest that the committee consider the adequacy of the draft act based on the three Rs of green energy: reduce, renew, recycle. Like the three Rs—reduce, reuse, recycle—for waste products, this is a hierarchy of preference based on environmental impacts, and I think that's the way we should be viewing the Green Energy Act. The act already does address the first two Rs: reduce, through the promotion of conservation; and renew, through the support of renewables through

such things as the feed-in tariffs. The act, however, is lacking in regard to the last R: recycle. This is where I think stronger support for combined heat and power could help, and the minister seemed to agree. Greenpeace recommends, then, that the act be amended to promote the development of combined heat and power systems.

In conclusion, you've witnessed at this meeting a unique moment when Greenpeace and Minister Smitherman are in full agreement. Subsection 5(2), schedule B, is not, or should not be, intended to procure nuclear power stations, but is intended for the procurement of combined heat and power systems. As noted, however, even to this non-lawyer, the wording of this clause is sloppy. This is where I submit to you that this committee can work to clarify and improve the act.

Thank you very much.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Government caucus: Questions? Ms. Broten.

Ms. Laurel C. Broten: Thank you very much for your comments. I'm wondering whether or not you've had an opportunity this past week—and I do thank you for your positive praise of the act—to listen to some of the criticism that's come forward from the London Economics analysis of the bill, which is really talking a great deal about high costs, and whether you've taken a position or analyzed that recent report that has come forward from our Conservative friends.

Mr. Shawn-Patrick Stensil: As I've been told, I don't think that report is publicly available. I have not seen a copy. We'd be happy to critique it or support it, based on the evidence included in it, if it were publicly available.

Ms. Laurel C. Broten: Okay. Thank you.

The Chair (Mr. David Oraziotti): Thank you. Mr. Yakabuski.

Mr. John Yakabuski: It is publicly available; it was distributed to the media. So if you'd like a copy—now, that's an executive summary only, at this point. The full report has not been published, period, but I think it's supposed to be done by April 24 or something like that.

Anyway, an interesting presentation, as always. While we may differ in our views on nuclear, as you know we do, and we've had those discussions, we don't differ on some of the concerns about the ministerial powers that have been bestowed upon George Smitherman and his successor as part of this act. Your concern is, of course, the ability for him, without proper scrutiny, to approve the building of a nuclear power plant. He says, "Well, I don't have that in there so I can do that. I wouldn't exercise it in that way."

There are 22 separate sections in here, in this act, that deal with ministerial powers. One of them would allow him, for example, to build wind turbines in Algonquin Park, Ontario's most famous provincial park, part of which is in my riding. I would think that George would probably tell you that he has no intention of doing that either. But I guess a fair question is, and maybe you could offer your analysis or opinion on it, "If you have

no intention of using that section to do that, George, why do you have it in there?"

Mr. Shawn-Patrick Stensil: First of all, I'd love to receive a copy of the report when it's finished on the 24th, because the devil is always in the details. I look forward to that.

Yes, we do have a concern around ministerial power. We think the Green Energy Act has the intent to develop conservation and renewables and, hopefully, combine heat and power. Those are transparent and present in the act and explained.

That's why we're pointing to subsection 5(2) as a concern for buying nuclear plants. If the wording is sloppy, I would put it to this committee that that is where the committee should be making such corrections. If it's stated in debate that it is not the intent of the minister, it should be explicit.

The Chair (Mr. David Orazietti): Okay, thank you. That's the time I have for questions. Mr. Tabuns?

Mr. Peter Tabuns: Shawn-Patrick, thanks for the presentation. I'm concerned about the fact that the continued commitment to nuclear power essentially puts a ceiling on the development of renewable energy in this province. Can you speak about that?

Mr. Shawn-Patrick Stensil: Yes, definitely. One of Greenpeace's major concerns is that while we're talking about the promotion of green energy, we may in fact foreclose on the future development of green energy by making decisions to build nuclear plants today that will come online in 2020 when we could be further ramping up the development of renewables as innovation takes place. We know that a new nuclear plant would be online at the earliest in 2020. We're seeing a humongous growth in the development of green energy and effectiveness in innovation, and costs going down. So we think a decision today would foreclose on such a future.

1740

I was recently in Europe, and a Finnish colleague at Greenpeace there spoke to me about how when the Finnish government made a decision to build a nuclear plant in 2005, what that country saw was a fall-off in the development of wind and combined heat and power plants. Why? It sent a signal to the market that there wouldn't be a demand there. I think that's an important thing to keep in mind, especially for the side of the left of the committee, in the coming months: Decisions outside of this Green Energy Act could actually inhibit its full implementation. That's why, in my presentation, I said we believe this would be a good vehicle for the development of a green economy, but it needs to be given someplace to go. Decisions to build new nuclear plants will foreclose on that.

I think the first test of the government in implementing this is the decision on whether to rebuild or close the Pickering nuclear station, which shuts down in 2013. It's only 2,000 megawatts of power. This is an opportunity where we can actually ramp up green power, which is the stated desire of the government, and lower something that we've had a long, bad history with, which is nuclear

power. Unfortunately, Minister Smitherman has consistently said that he won't back off from maintaining nuclear at 50% of generation, and that is in conflict with the statements and intent of this act.

The Chair (Mr. David Orazietti): Thank you very much. That's the time for the presentation.

SKYDIVE TORONTO INC. COOKSTOWN AERODROME

The Chair (Mr. David Orazietti): The next presentation: Skydive Toronto Inc./Cookstown Aerodrome.

Members of the committee, so you're aware, there is a vote at 5:50 and they'll be ringing the bells, I understand. So we're going to try to get through the presentation and perhaps finish it. If not, we'll have to come back for the questions.

Go ahead.

Mr. Joseph Chow: Mr. Chairman, may I please have your permission to put this on top of the table?

The Chair (Mr. David Orazietti): That's fine. You have 10 minutes for your presentation. If you'd like to begin, just please state your name for the recording purposes of Hansard, and there will be five minutes for questions following. Go ahead when you're ready, sir.

Mr. Joseph Chow: Honourable Chairman and committee members, please protect our proud aviation tradition. Please formulate the Green Energy Act so that it does not destroy our aviation heritage.

My name is Joseph Chow. I'm the owner/operator of the Cookstown Aerodrome, at which is located Skydive Toronto, the busiest parachute school in Ontario. Our fleet of six airplanes provide the airlift for about 12,000 jumps every year. I personally have been involved in aeronautical activities for the past 40 years.

The Cookstown Aerodrome has a significant positive influence on the community. It's a place of aeronautical recreation where parachutists and pilots hone their skills. We've created two world parachute champions, and many pilots have gone on to fly for the major airlines. Canada is a huge country, Ontario is a large province, and a viable aeronautical community is required to hold the country together.

The Cookstown Aerodrome is also a place of employment for 50-plus staff members: instructors, pilots and parachute packers. Our positive economic effect to the community has been conservatively estimated at around \$3 million a year by a registered management accountant.

I also represent the similar interests of other airfield owners, operators and parachutists. I am here on behalf of thousands of members of the Canadian Sport Parachuting Association as the chairperson of their wind turbine committee. There are 11 parachute drop zones in Ontario. The Cookstown Aerodrome is also a member of the Simcoe county aerodrome group, which consists of 12 registered aerodromes.

I am here today to voice our collective concern with the process of locating renewable energy projects. My own personal experience in this matter consists of two

years in opposition to a wind turbine installation proposed to be sited in close proximity to my airfield, the Cookstown Aerodrome.

My extensive research has discovered the following negative impact of these 500-foot-high wind turbine towers. First, they are an obstacle for both airplane and parachutist collision. Second, their 41-metre blades produce mechanical and wake turbulence which challenges our pilots and our parachutists. Third, they interfere with radio communication and distort radar signals, both of which are required for flying and for parachute operations.

The dangers posed to aeronautical activities by the close proximity of industrial wind turbine towers are very real. Airplanes have collided with wind turbine towers. Parachutists have been killed landing on these towers. The number of these incidents can be expected to increase as thousands of these towers are erected in the future. No mitigation can remove these dangers. It is common sense that if you have a 50-storey tower in the vicinity of an aerodrome and you have airplanes landing and taking off at that aerodrome, this is going to happen. You can expect collisions with airplanes. Yet this is what the wind industry has ignored. They have insisted on locating wind power installations close to active aerodromes. The self-screening process developed by the Ministry of the Environment for renewable energy projects sets no distances for these objects from aerodromes.

When we approached Transport Canada about this matter, they advised us that Transport Canada's role "regarding the erection of obstacles is to assess them for lighting and marking requirements.... This assessment does not constitute authority for construction." In fact, Transport Canada even admitted in my case, "The proposed wind turbines may adversely affect Skydive Toronto Inc. operations and aircraft operating in the circuit at the Cookstown registered aerodrome."

Transport Canada can do nothing because they have no jurisdiction over land use. In fact, the wind industry has repeatedly distorted Transport Canada's role as having approval of the location of wind power projects. Transport Canada denies that. They do no such thing.

Today, the Green Energy Act proposes to make the province responsible for the location of renewable energy projects. With the negative impact that these locations would have on aviation safety should they be close to an aerodrome, we urge the government of Ontario to institute a separation of at least four kilometres of any industrial wind turbine tower from an aerodrome or parachute drop zone. This standard has been recommended by Transport Canada in its TP 312 Aerodrome Standards and Recommended Practices, which calls for a four-kilometre obstacle clearance around aerodromes.

We are hopeful that the provincial government will honour its commitment not to compromise public safety with the introduction of the Green Energy Act.

I want to thank you so much for this opportunity to make this presentation to you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Yakabuski, you're first up for questions. You have about a minute and a half.

Mr. John Yakabuski: Thank you very much for joining us today. I know your MPP, Julia Munro, speaks very highly of your business and your operation and represents you well.

If a wind farm was erected within that prescribed area that you feel there should be an exemption of, realistically, could you survive as a business?

Mr. Joseph Chow: That's a difficult question to answer, sir, and I'll be frank. My family's life savings are in that airfield. It would be very difficult for us to move. We would have to assess the risk to our members. We would have to assess the annoyance to our neighbours, because right now we have a circuit set up in such a fashion as to minimize the nuisance level to our neighbours. If we change that circuit and fly right over the town of Churchill, right over our neighbours, that is not the proper thing to do. So there's a risk factor to our members and to our pilots. There's a nuisance factor to be considered to our neighbours. Also, who would want to jump out of an airplane with a 50-storey obstacle with a spinning blade located in the vicinity? I'm not even sure the business would be viable. So, you see, I'm sort of caught between a rock and a hard place.

Mr. John Yakabuski: Yes. And have you ever asked to talk to the ministry or the minister about this kind of area where you need a special exemption in order to operate safely?

Mr. Joseph Chow: Yes. Of course, we've contacted Transport Canada, and their response is that they can't do anything, because although aeronautics falls under Transport Canada—it's a federal jurisdiction; they set the standards and they supervise the carrying on of aeronautical activities—they have no power over land use or zoning. In other words, they have no power over the zoning or erection of obstacles on lands surrounding the airfield.

The Chair (Mr. David Oraziotti): Thank you. That's the time for questions. Mr. Tabuns.

Mr. Peter Tabuns: I'll pass, Mr. Chair.

The Chair (Mr. David Oraziotti): Thank you. Ms. Broten.

Ms. Laurel C. Broten: Thanks very much. Given the countdown on the screen, I'll be quick.

I do want to thank you for coming forward, Mr. Chow. I can tell you that it is my understanding that the act which would govern this is a federal one, the Aeronautics Act, which plays a significant role, but for our part, the Ministry of the Environment and the Ministry of Natural Resources are currently in the process of reviewing scientific studies and looking at best practices around the world. I'm sure that there are other places in the world that have encountered this very issue, and that's the type of thing that they are looking at as they set the rules with respect to the appropriate siting and setbacks of wind turbines around the province.

We will make sure that we relay the concerns expressed by yourself and others to this committee to our federal counterparts, and we will ensure that the Ministry of the Environment really looks at this issue in the context of the undertaking that is their responsibility flowing separately but adjacently to this act.

Mr. Joseph Chow: Thank you. I'd—

Interjection.

Ms. Laurel C. Broten: Oh, yes, and my colleague wants to know if you know Kathy Kangas, the world champion from Thunder Bay.

Interjection: Sure, yes. She jumped with us.

Mr. Joseph Chow: Yes. Our school has been in existence for 36 years, and out of our ranks have come many national and world champions.

Ms. Laurel C. Broten: Great.

The Chair (Mr. David Orazietti): Thank you very much for your presentation.

The committee stands recessed until 7 p.m.

The committee recessed from 1754 to 1901.

The Chair (Mr. David Orazietti): Good evening, everyone. Welcome to the Standing Committee on General Government.

WINDSHARE

The Chair (Mr. David Orazietti): We have WindShare co-operative as our first presenter this evening.

For the purposes of Hansard, please state your name. You have 10 minutes for your presentation; there will be five minutes left for questions from members of the committee. You can start when you like.

Mr. Evan Ferrari: Thank you, Mr. Chair. My name is Evan Ferrari. I'm the president of the WindShare co-operative. WindShare jointly owns and operates North America's first urban industrial wind turbine at Exhibition Place in Toronto. We operate our business as a community-based co-operative including over 600 members and based on the principle of one member, one vote.

Our decision to build our first turbine was a bold step supported vigorously by all our members. The Ex Place project has acted as a catalyst that has changed renewable energy policy in Ontario and Canada while heralding our community membership model as a way of providing everyday people with a way to directly impact our energy and environmental future.

Since the commissioning of our first turbine, we have been working on the feasibility of developing more projects, including adding more turbines at Exhibition Place. However, under the current regulatory regime and under the current act, adding more turbines to the grid has been extremely difficult for us.

In terms of Bill 150, we strongly support the direction of the Green Energy Act as it relates to wind energy and are very pleased with the proposed changes to the Co-operative Corporations Act, the CCA, that are also part of Bill 150. These CCA changes proposed here will enable us to operate much more effectively. Frankly, most of the changes that were proposed in Bill 150 would help us

alleviate a lot of the problems that we have had in operating in the past.

There are, however, some specific areas of the act that we feel need highlighting, obviously from a focused perspective as a community wind power developer.

The new act should be effectively encouraging renewable energy developments close to markets. This concept, we believe, is something where the differentiation of price should be based on resource intensity. I'll try to cut through the jargon here. Essentially, what happens in this situation is that where you have low wind, quite frequently you have a great deal of the population. In our situation at Ex Place, we have a relatively low regime, but we have our production extremely close to that market. Generating power where people use it ultimately lowers our societal, our economic and our environmental costs of providing power to the marketplace.

Pricing wind power based on resource intensity—read: wind speed; lower-wind sites get more money if located close to market—can help alleviate the concentration of high-density wind projects far from the urban marketplace. By spreading turbines around close to consumers, we ultimately create a more robust electrical system in Ontario. Under this system, projects situated in lower-wind areas close to market would be given preferential pricing.

The next point that we've run up against in many situations is what we call the "one size doesn't fit all" scenario. Generally, legislation and regulations regarding current wind projects, and conceivably even some under the GEA, were developed within the context of rural locations, assuming that all wind turbines would be located in rural locations. As a result, certain projects may suffer from not fitting the guidelines. Some issues need to be addressed based on ultimate site locations, as opposed to a one-size-fits-all approach.

As an example, our turbine is relatively close to a number of other land uses, and land uses are issues that are going to have to be dealt with clearly in the regulations. But let me just give you an example. Our turbine is a mere 20 metres from the closest paved roadway within Ex Place; it's within 30 metres of the closest arterial road, one of the busiest in the city, Lake Shore Boulevard; within 70 metres of the closest building—in this case, two buildings—Scadding Cabin, which happens to be an historic site, and Liberty Grand banquet hall; 75 metres from the closest waterway, namely Lake Ontario; and approximately 450 metres from the closest residence. What I don't have on the sheets that I handed to you is that we're also within about 1,600 metres of the Toronto Island airport. I bring that issue up because I understand that earlier in the day you heard presentations from some skydiving group. I found that rather interesting, and I thought you might find interesting that this summer—and last summer—we will be performing as part of the Canadian International Air Show—our turbine would be an integral part of it—and needless to say, skydiving is part of that air show as well.

The new regulations will be looking at setbacks for turbines from various land uses. We believe that if these regulations are looked at strictly from a rural perspective we could find, once again, that future developments within the city will be unfeasible. After over six years of operation, we have not received any complaints from other users, businesses or residents within the immediate areas. By the same token, there may be times when our setbacks could not be applied to other projects. It is important to have guidelines related to land uses within close proximity to a turbine. However, it should be very clear that these setbacks may differ by location and may differ between rural and urban locations.

While we understand that Bill 150 doesn't specifically deal with the issue of property tax issues, we feel compelled to highlight how, in our case, the formula used to assess our property tax was based on work done provincially, where it was assumed, once again, that all turbines would be located in rural situations—usually agricultural land. This assessment formula is based on not only turbine capacity and turbine size but also the value of the land beneath the turbine. Clearly, the value of the land beneath our turbine at Ex Place is significantly more expensive than the land under a wind farm in a rural area an hour and a half outside of Toronto. Needless to say, this is another poignant and expensive example of how one size doesn't fit all.

We need to be encouraging renewable projects throughout Ontario and within our cities, not frightening them away. Ultimately, it has to be easier to produce wind power in Ontario. At first blush, the idea of having multiple small wind projects throughout Ontario might seem inefficient, but once we realize the security and stability that the concept of distributed generation brings to Ontario's electrical system, we realize that multiple small projects throughout the province can have a profoundly positive impact on improving our grid and stability. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your comments. The first member to comment here is Mr. Tabuns. If you have questions, Mr. Tabuns, go ahead. You have about a minute and a half.

Mr. Peter Tabuns: Thanks for the presentation, Evan. The whole question of differential rates for resource intensity: Are there jurisdictions where they have a rate structure that in fact reflects what you think we need to have in Ontario?

Mr. Evan Ferrari: I'm not that aware with other jurisdictions out there. I've seen attempts at looking at the current pricing that the OPA has out there for comment, where one analysis—and I haven't gotten down in the weeds on things yet—took the numbers that are there and essentially reworked them in such a way that there would be resource-based pricing, but based it on a way that there's no net change to the revenue at the end of the day. You're merely redistributing it—so if at the end of the day you expected it to cost you 100 units or \$100—in a manner that gave preference to lower-wind regimes closer to market. You should be able to play with that

pricing in such a way that it's—I'm not going to say revenue neutral, but it doesn't have a net-negative impact on the bigger scheme of things.

1910

Mr. Peter Tabuns: Or you have reduced transmission costs, so you should be able to take advantage of that opportunity.

Mr. Evan Ferrari: Yes, you would hope so.

Mr. Peter Tabuns: Off the cuff, you may not know, but if you could take a look and provide us with information on how other jurisdictions have dealt with this beneficial impact of reducing the cost of transmission, it would be useful to us. And if you can't do it, then maybe the government will pioneer. Who knows?

Mr. Evan Ferrari: I wish I had some examples up my sleeve and I'm afraid I don't, but merely the fact that you're not sending power very long distances—

Mr. Peter Tabuns: It matters.

Mr. Evan Ferrari: Yes, it's quite phenomenal. The power that we generate at Ex Place rarely gets off of the property. It's consumed extremely locally. From a grid perspective—I don't even know if it gets to the grid most days, there's so much power even consumed right at the Ex itself.

The Chair (Mr. David Oraziotti): Thank you. That's the time you have. Ms. Broten?

Ms. Laurel C. Broten: I understand that WindShare has two projects, the one at Exhibition Place and one under construction in Milverton.

Mr. Evan Ferrari: That's a project that we're involved with. As any wind developer, you usually have to have several irons in the fire because inevitably there's some kind of a roadblock. The Lakewind project at Milverton is one of the ones that we're also looking at.

Ms. Laurel C. Broten: One of the things, speaking of roadblocks, that we are trying to do in the act is facilitate the development of renewable electricity through a renewable energy facilitator, through developing a one-window approach and trying to facilitate that approvals process; setting a high bar, but having you know what that bar is to meet. Do you think that type of assistance would help you move forward with projects that you would like to do in the future?

Mr. Evan Ferrari: I think that would help significantly. The biggest help that we need with the Milverton project, the project we call Lakewind, would be to have the orange zone removed. That is our stumbling block right now. We're ready to go and our colleagues at Countryside Energy are ready to go as well. That is beyond the shadow of a doubt the biggest stumbling block.

The Chair (Mr. David Oraziotti): Mr. Yakabuski?

Mr. John Yakabuski: Thank you very much, Mr. Ferrari, for your presentation. I just have a couple of questions, because you did comment on Mr. Chow's presentation earlier, from Skydive Toronto, with respect to the wind turbine. The turbine at the CNE is not the size or capacity of the turbines that are being anticipated in any of these wind developments. Can you give us the specifications on that turbine?

Mr. Evan Ferrari: Our turbine is just under 100 metres tall to the tip of the blade, and its capacity is approximately 640 kilowatts. Newer turbines that are going up right now, like the ones in the Shelburne area, are probably 1.5 to two megawatts. Newer turbines are actually approaching three megawatts. However, you've got to be careful with those numbers, because a doubling in capacity doesn't mean a doubling in height.

Mr. John Yakabuski: We're aware of that.

Mr. Evan Ferrari: So the height of those would be significantly higher, but they definitely wouldn't be double the height; let's put it that way.

Mr. John Yakabuski: That's correct, but I did want to point that out. The other thing is that, yes, you're within that distance of the Toronto Island airport, but you're not in the flight path.

Mr. Evan Ferrari: We're actually 20 metres below a buffer zone from a flight path. And frankly, that's another restriction we had, because we had no intention to put such a small machine down there. The fact that the island airport is there has prevented us from putting in a more substantial machine.

Mr. John Yakabuski: I think what Mr. Chow was concerned about is significant developments within proximity of an aerodrome. I would put it to you that I think he's talking about a different circumstance than you're articulating.

Mr. Evan Ferrari: I didn't hear his presentation. Perhaps he was—as I mentioned, we are a participant in the air show. There are skydivers who participate; we actually turn it on and turn it off as part of that, along with the other participants at the air show.

Mr. John Yakabuski: Now, I'm not sure where you—it's kind of ambiguous for me, anyway. You talk about needing to reduce the amount—or this would lead to reducing the intensity of rural development if we had power being produced closer to the source. Then I'm not sure of the last paragraph. It kind of makes me not sure that's exactly what we're saying there. We have some proposed wind developments, for example, up in my riding in Renfrew county; 60 turbines in the shadow of Algonquin Park, a long way from the need, a long way from the power consumption. What's your view about developments like that?

Mr. Evan Ferrari: I don't know enough about that development to comment specifically on it. Clearly there are places that wind turbines should go and places that they shouldn't go, and not knowing the specifics, I would feel uncomfortable suggesting that I could comment one way or the other—

The Chair (Mr. David Orazietti): Thank you very much for your comments. That's all the time that we have for questions.

Mr. Evan Ferrari: Thank you.

CLEAN, AFFORDABLE ENERGY ALLIANCE

The Chair (Mr. David Orazietti): Our next presentation is Clean, Affordable Energy Alliance.

Good evening. You have 10 minutes for your presentation and five minutes for questions. State your name for the purposes of Hansard, and you can begin when you like.

Ms. Carol Chudy: Thank you and good evening. Thank you for this opportunity to provide input to Bill 150. I'm Carol Chudy. I'm co-chair of the Clean, Affordable Energy—CAE—Alliance. We are a volunteer organization representing the interests of Ontario's energy rate-payers. Our members have followed and have actively participated in the evolving energy policy and the significant changes that have taken place in the electricity sector over the past five years. We believe that there are major flaws in the proposed legislation which devalue the individual and municipal rights of citizens and undermine the economy, contrary to the provincial goal, which is the enhancement of the quality of life for the citizens of this province.

In Ontario, we've historically enjoyed reliable, secure power supply at best cost to consumers and have built our livelihood and quality of life on that. There are safeguards to ensure this. The proposed act represents a major shift away from this concept in pursuit of green energy, regardless of cost, system or human impacts. Potential gains are overshadowed by losses: economic, civil, and loss of cost and environmental safeguards—minor gains, major losses. I'd like to highlight five specific areas where we feel there are losses.

Economic losses: The act is advertised as a bold series of actions to enhance economic activity, creating up to 50,000 jobs province-wide. However, no concrete information has been provided to demonstrate how or when these jobs will be created. When analyzed, reports promising large job gains were found to contain dubious assumptions and a disregard for basic economic principles. The jobs include large numbers of clerical, bureaucratic and administrative positions—non-productive, expensive positions that raise costs for electricity consumers without adding value to Ontario's economy. The actual employment gains will be totally swallowed up in the job losses that will result from higher energy costs. The 300,000 manufacturing jobs plus supporting retail and service sector jobs lost in Ontario over the past four years will be just the beginning.

This act will cause electricity costs to rise: generation, transmission, administration costs and inevitably ongoing debt reduction costs. Mr. Smitherman states that he envisions hundreds of thousands of points of generation under the new Green Energy Act. As a result, there would be miles upon miles of new transmission lines through all sorts of terrain to connect these hundreds of thousands of small-scale generators and larger remote supply to the provincial grid—billions of dollars. Hydro One is currently overtaxed with transmission upgrades

and extensions. The right to connect to the grid guaranteed in the act will necessitate private transmission, and the public will be required to pay whatever it takes. The act will guarantee private developers rates and revenues regardless of when they operate, what or where they build, including remote northern areas, confident that they can demand delivery of their intermittent power to distant markets at the ratepayer's expense.

The act will foster additional costs, including renewable energy at triple to 20 times the cost of existing resources; real estate energy audits, which 86% of the public opposes; the special cost associated with fuel use; \$1.6 billion to roll out the smart grid; costs from municipalities, hospitals, schools and universities to prepare and update energy efficiency plans, which will all be passed down to Ontario taxpayers; and restriction on the sale or lease of products currently in use.

This act will result in the loss of economic safeguards legislated for the protection of Ontario consumers, most prominently in the change of the OEB mandate. This act subjugates price protection in favour of renewable promotion and accommodation. The role of the board as economic regulator will be compromised; in fact, the changes in mandate placed on the OEB undermine its very purpose.

The act is designed to turbocharge the renewable energy supply in the province regardless of cost and regardless of the overall impact on the Ontario economy. This is clearly opposite to the public concerns we hear daily that place the economy far above environmental issues at this particular time. Those promoting this act as a melding of the two—that is, that the Green Energy Act will spur economic growth—are presenting a skewed and misinformed perspective.

1920

The act will result in marginal environmental gains. The use of renewable energy in Europe has not decreased greenhouse gas emissions, nor has it reduced the need for conventional power production. The German Energy Agency states that Germany “must press on with building up conventional power generation alongside its push for a renewable energy expansion to avoid supply shortfalls and rising prices.” They note that demand increases and supply volatility arising from a growing share of erratic production from renewable sources still make new coal- and gas-fired power stations necessary.

From a climate change perspective, there will be little benefit in switching from coal to natural gas. In addition, according to a recent government study, using gas for power generation to replace coal will have a minuscule benefit on air quality—a trade-off in the emissions profile at a cost to consumers.

The act will allow for transmission facilities, wind turbines, solar panels and natural gas pipelines to be installed on public lands, potentially in areas such as Algonquin Park, without public recourse. Ministries currently overseeing the environmental impacts of projects in infrastructure will have a severely diminished voice.

The act includes measures which erode the civil rights of Ontarians and is expressly designed to stifle public input. In streamlining the approvals process, the act exempts renewable projects from local planning authority and shuts down legitimate public input and opposition. Project information will be deemed confidential outside the parameters of the freedom of information act. The public will be denied access to information crucial to defining their opposition.

The act is designed to squeeze every drop of energy efficiency, outlawing used appliances and products that don't need as yet to be designated standard—at what gain? At what cost?

The act includes broad powers of seizure and search. Inspectors will be hired to go anywhere they deem necessary to enforce the act. They will have the right to use investigative techniques and may use persons who have special expert or professional knowledge to assist.

The act itself is a poorly constructed piece of legislation. It's extremely vague in far too many aspects. There are 88 uses of the word “prescribed,” denoting that much of the content is yet to be determined. It is so open-ended as to allow for destructive policies and fails to anticipate the negative consequences and implications of the undefined details. One example: “The Lieutenant Governor in Council may make regulations prescribing anything that is required or permitted to be prescribed or that is required or permitted to be done in accordance with the regulations or as provided in the regulations.” One can only guess how that will be applied.

Finally, the sweeping powers and authority granted to the Minister of Energy in this act are far too extensive. There are 77 instances in the act where the minister is granted specific power and authority, unconstrained by the energy board or by any other public regulation, including the right to provide grants and loans.

In contrast, the act curtails the powers and discretion of the OPA and the OEB, although in 2008 energy experts employed in those two agencies earned in excess of \$20 million. This does not include those working for the ISO, Hydro One or OPG. These experts have years and years of combined experience in the highly complex and scientific electricity industry. In spite of this, the Minister of Energy, with little background and expertise as yet, will have a direct and controlling impact on all energy-related issues and decisions in this province.

While some aspects of the new act have great merit, the benefits are overshadowed by a deviation from a mandate of reliable, affordable, environmentally sustainable power to a mandate of highly questionable environmental goals at any cost. This cost is measured in dollars from ratepayers, in continued job losses as energy costs rise, and in loss of rights to Ontarians—major losses, minor gains.

We ask you to review our written submission provided. We ask you, as you listen to the presentations over the next few weeks: For those who support the bill, what do they stand to gain? For those who oppose, what do they stand to lose?

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. I'll start with the government members. Ms. Broten.

Ms. Laurel C. Broten: Thank you for your presentation. I'm wondering what type of power generation you do support. I had a chance to look at your presentation and I gather that coal is your preferred source of generating electricity.

Ms. Carol Chudy: It's not. I believe that the best source of generation is what we've had in the past, which is a portfolio of resources to balance and support. I do not deny that renewable energy is a good thing for our province, and I believe that nuclear also is. However, we have to consider the intermediate load—the load following the load balancing—that is required by a thermal component at this time. In a sense, the more renewable energy we include, the more backup resources are required to shadow that. So if we're going to consider a thermal component, I believe, from a public perspective, we are better off to clean up the coal plants and keep them while we add the renewables, to remain stable rather than including huge amounts of natural gas.

Ms. Laurel C. Broten: In the time that I have—I won't have a lot of chance to ask questions—I do want to let you know that all projects will be subject to consultation. There will be public discourse and an opportunity for public input when those projects are going forward. Pieces of legislation that we are very proud of and have fought to introduce in the Legislature, like the Endangered Species Act, will continue to play an important role in the province.

No projects are proposed for Algonquin Park, and I would suggest to you that the economic analysis being brought forward with respect to the 50,000 jobs is much more detailed than you give it credit for, and the jobs are real jobs: construction jobs, manufacturing jobs. In the community that I represent, Etobicoke–Lakeshore, those are viewed as very important jobs that we need to build for the future of this province.

I do appreciate you coming forward. I would suggest to you that the externalities associated with air pollution and the generation of electricity by coal have been well documented and our government's strategy is the single-largest climate change initiative in North America.

The Chair (Mr. David Oraziotti): Thank you, Ms. Broten. That's time. Mr. Yakabuski?

Mr. John Yakabuski: We were wondering if we were going to get any time there, Chair; Ms. Broten was on a roll.

Thank you very much, Carol, for your presentation. You touched on some interesting things. I know Ms. Broten wants to talk about the jobs. Interestingly enough, the entire automotive manufacturing sector in Ontario—Ford, Chrysler, General Motors, Honda and Toyota—before the meltdown only employed 38,000 people, yet they're going to tell you that this Green Energy Act is going to create 50,000 jobs over the next three years. That would beg to be analyzed and challenged by any-

body. When we hear something from the government, automatically we should be questioning it.

Her contention is that George Smitherman has no plans to put turbines in Algonquin Park. Why does he give himself the power to do so if he has no plans? I'm very concerned about those kinds of things in the act, and you've articulated them well tonight.

Interestingly enough, you talk about the cost and the jobs gained or jobs lost. A study that was released not that long—and Spain, by the way, is being told by the European Union that they must increase their power prices because they've been subsidizing them to the extent that they're not accurate, they're not within the guidelines and the rules of the European Union. The study showed that for every job gained by the production of renewable energy in Spain, it amounted to two jobs lost. Are you aware of that study? Have you seen it?

Ms. Carol Chudy: Yes, and there's also a German study on solar that indicates the same thing. Also, the studies from universities across the US where they looked at all of the reports—

Mr. John Yakabuski: Because of the price.

Ms. Carol Chudy: Yes.

Mr. John Yakabuski: And we're a goods-producing economy here in Ontario. If the price of power does what happened in Europe, what could we expect with our jobs here?

Ms. Carol Chudy: Decimated.

Mr. John Yakabuski: Thank you very much. I appreciate that.

The Chair (Mr. David Oraziotti): Mr. Tabuns?

Mr. Peter Tabuns: Carol, thanks for the presentation. One of the concerns I have is that the most recent analysis of the cost of new nuclear power plants puts their price per kilowatt hour at about 15 cents. So I'm very concerned that large-scale investment in nuclear will do what you're talking about, and that's further drive up the cost of electricity and also lock us into a technology that I think will not be around 50 years from now. Do you, in your presentation, call for an end to further investment in nuclear power in this province?

Ms. Carol Chudy: I think we have to be realistic. I don't believe that renewable energy in this province can sufficiently provide the baseload that we need. As Mr. Yakabuski has indicated, we are a goods-producing province. If we shut down our largest source of baseload power, industry is going to flee. We can't run a car plant on wind or solar, not at this point in time. We do not have enough hydroelectric facilities, or even potential, left in this province.

1930

Mr. Peter Tabuns: I don't think anyone around this table would suggest shutting it down, but just not making any further investment in a power source that has already driven up the cost of electricity in this province quite substantially.

Ms. Carol Chudy: Nuclear units now will be reaching end-of-life at a certain point in time. If we don't

replace that with sufficient, significant baseload power, where are we?

Mr. Peter Tabuns: I'd submit that we're at a point of technological change; that, in fact, just as horse power was replaced by cars at the beginning of the last century, we're coming to the end of the lifespan of the nuclear age and we will be going forward with new technologies over the next few decades that will displace nuclear as they come on stream. I don't understand the argument for technology that actually has proved to be very expensive for us and dramatically drove up the cost of electricity in this province, undermining our manufacturing competitiveness.

Ms. Carol Chudy: The Green Energy Act is going to tie us to 20-year contracts for technology that is, as you say, rapidly developing—solar, wind; there are developments. We would be better to be prudent and careful in letting out our money. We're going to be stuck with 20-year contracts of very expensive power that might be technologically deficient in five years.

The Chair (Mr. David Oraziotti): Thank you. That's time.

Ms. Carol Chudy: Thank you.

The Chair (Mr. David Oraziotti): We appreciate it.

AUTOMOTIVE PARTS MANUFACTURERS' ASSOCIATION

The Chair (Mr. David Oraziotti): The next presenter is the Automotive Parts Manufacturers' Association.

Good evening, gentlemen. Please state your name for the purposes of recording Hansard. You have 10 minutes for your presentation and five minutes for questions from the members of the committee. You can start when you like.

Mr. Gerry Fedchun: Thank you. I'm Gerry Fedchun, president of the Automotive Parts Manufacturers' Association. This is Peter Corbyn, director of environment and energy.

The APMA is Canada's national association representing original equipment automotive suppliers. APMA's members account for approximately 90% of Canada's \$24.3-billion industry, with 80,000 employees. APMA's fundamental objective is to promote and support the automotive original equipment supply industry, both domestically and internationally. The association creates and executes global marketing initiatives in order to develop international trade and business opportunities for the membership, and provides important representation to both the federal and provincial governments. APMA is the voice of the motor vehicle original equipment suppliers in Canada.

The total energy cost for the industry is about \$900 million, or 3.5% of total sales—a substantial number. As you know, the industry is experiencing unprecedented economic hardship right now. Virtually all other sectors of the economy are also experiencing economic hardship, but motor vehicle suppliers are in a worse downturn than most other sectors. Based on consultations we have

received, it appears that energy prices will rise substantially in Ontario as a result of the Green Energy Act. If that is the case, we fear that a number of automotive parts suppliers will face closure and/or relocation to jurisdictions with lower energy costs.

We agree that reducing greenhouse gas emissions to address climate change is necessary. However, we believe the government of Ontario should change the scope of the Green Energy Act in order to improve the balance of solutions so that the economy can prosper and citizens and government can benefit.

As we are sure you are aware, there are a number of solutions that need to be implemented to reduce greenhouse gas emissions. These solutions are best demonstrated by the Socolow and Pacala wedges, as shown in figure 1, which you have. Essentially, no one solution will reduce global greenhouse gas emissions on its own; rather, a complete repertoire of solutions needs to be employed. These solutions include:

- improving electricity end-use efficiency;
- improving other end-use efficiency;
- improving passenger vehicle efficiency;
- improving other transport efficiency;
- using more renewable energy; and
- carbon capture and supply efficiency.

Our concern is that without a balanced approach to addressing climate change, Ontario will face increased economic hardship.

The simple fact is that the implementation of any solution requires funding. Without prosperity, there are no funds to implement. With a balanced approach, there is greater potential for sustainable economic and environmental progress. For example, helping Ontario-based manufacturers improve energy efficiency will both help their global competitiveness and, at the same time, reduce their greenhouse gas emissions. In fact, according to the McKinsey abatement curve in figure 2, a number of low-cost-based strategies include improved efficiencies, such as lighting; industrial process improvements; existing power plant conversion efficiencies; and combined heat and power for industry, or cogeneration. Other low-cost opportunities include improved car and light-truck fuel-efficiency gains.

Although we support the introduction of renewable energy sources, we're concerned that these options, especially as we perceive them to be proposed in the Green Energy Act, carry a much higher abatement cost per tonne, as is consistent with McKinsey projections for wind, solar and biomass energy source costs.

We are aware of the potential economic benefits of growing a renewable energy sector in Ontario. We also believe there is a tremendous opportunity for Ontario-based automotive parts manufacturers to gain by contributing towards the more-fuel-efficient vehicles of the future. However, that gain cannot happen if the industry continues to lose thousands of jobs.

For example, in the 2009 Ontario budget, "Growing the Greening Economy" mentions an opportunity to aid in the development of green auto parts by using bio-

based materials for interior trim and head-restraint coverings. That is something that we applaud, and in fact, I sit on the board of directors of the Ontario BioAuto Council. However, if there is no automotive industry to support, that progress will go elsewhere, ultimately leading to more unemployed Ontarians and a lower tax base for the province.

Our proposal: As you know, access to capital in this economic environment is virtually non-existent. Unfortunately, this means capital spending freezes throughout the automotive parts industry, including capital for energy-efficiency-focused projects. There are a number of automotive parts manufacturers that could implement effective energy-efficiency projects but are unable to access cash for projects where the payback is less than a year. For example, one particular manufacturer is currently sitting on a \$100,000 energy efficiency project with known savings of \$150,000 per year on an eight-month payback and a reduction of over 300 tonnes per year of greenhouse gas emissions. This \$150,000 per year would substantially boost their already-slim margins. We recognize that the OPA is beginning to offer incentive programs to help improve industrial efficiency, but to our knowledge, to date these programs still require substantial private sector capital.

As you are aware, energy service companies, or ESCOs, have been in business for a few decades. Helping finance large energy efficiency projects, their revenue is based on a percentage of overall savings. This business model works well for large clients with multi-million-dollar savings opportunities, but it doesn't fit well for projects in the under-\$500,000 range, as contracts are complex and the overhead of creating and administering the contract make the process uneconomical. The result: There are few projects this small.

We propose the creation of an energy capital fund that will help smaller companies benefit from the same model. To make an analogy, ESCOs are on par with venture capital funds, i.e. providing multi-million-dollar investments, where the energy capital fund will act more like an angel investor, providing five- or six-figure financing.

In fact, an energy capital fund would actually grow over time. For example, the company above would obtain \$100,000 in financing from the fund and pay it back plus interest out of the energy savings. The process would be simple to administer, would help Ontario-based manufacturers improve energy efficiency and would reduce greenhouse gas emissions for a low cost, actually making more money relative to the feed-in tariff cost structure proposed in Green Energy Act.

If Ontario-based automotive parts manufacturers are not cost-competitive, jobs will be lost. If Ontario-based automotive parts manufacturers are cost-competitive and reducing their greenhouse gas emissions at the same time, we all win. To quote an individual in the industry, "If Ontario is out of step with the rest of North America with respect to energy prices, we are done."

We appreciate this opportunity to share our position today and look forward to further discussing our proposal

for providing a cost-effective means towards reducing greenhouse gas emissions and growing the Ontario economy. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Yakabuski, you're first up.

Mr. John Yakabuski: Thank you very much—

Mr. John O'Toole: Pardon me, Chair. I may have to interrupt because he's speaking up there. How can—

Mr. John Yakabuski: Yeah, we were wondering how this works. We're on the television there, too, so—

The Chair (Mr. David Oraziotti): You're amazing, John. You're amazing.

1940

Mrs. Carol Mitchell: Technology.

Mr. John Yakabuski: Yeah, that's that new technology.

Mr. John O'Toole: Yakabuski all the time.

Mr. John Yakabuski: Yes, everywhere all the time.

The Chair (Mr. David Oraziotti): You're using up your time, Mr. Yakabuski.

Mr. John Yakabuski: I know. Anyway, look, I really do appreciate your presentation. This is the kind of real information we need and I think that those folks on the other side of the room here need.

You're chasing \$1 billion a year in electricity use in your industry. The total electricity use in Ontario, I believe, is between \$7 billion and \$8 billion, so you're talking about one seventh of the entire electricity bill here in the province, and this act is going to kill you. If the price of electricity goes up as low as 15%, which is really being optimistic, or as high as 30% to 50%, can you guys survive?

Mr. Gerry Fedchun: A lot of companies will not, because right now, the average cost of electricity in Ontario is 30% higher than our competitors, and if it goes another 15%, that really kills us.

Mr. John Yakabuski: Why are we not investing in that? If we want to be part of this new economy, like Dalton McGuinty likes to talk about, why are we not helping companies be more energy-efficient? Because if you could reduce your energy costs, you would reduce your production costs and therefore be more competitive with those other economies you're trying to compete against.

Mr. Gerry Fedchun: I can say that if we're going to have some incremental increase in cost per unit, then we've got to bring the total number of units we use down. We especially need to help the smaller companies do that.

Mr. John Yakabuski: So that's what we need to help you guys: We need to make ourselves more energy-efficient, because we're a goods-producing economy and we're not going to change that or we'll all be out of work, right?

Mr. Gerry Fedchun: Well, there are 80,000 jobs in the parts sector, and a significant amount of those will disappear.

Mr. John Yakabuski: I was up at the wind farm at Melancthon—six full-time jobs; that's what's there. Once the place was built—six jobs. They'll have more now because they've doubled it this year, but we need real jobs that pay people, don't we?

Mr. John O'Toole: Thirty-eight thousand jobs—

Mr. John Yakabuski: Well, it's 80,000 in the parts, but the cars themselves, it's 38,000.

Mr. Gerry Fedchun: That's at the assembly plants. There are almost two jobs at the parts plants for a job in the assembly plants.

The Chair (Mr. David Orazietti): Thank you. That's the time for questions. Mr. Tabuns?

Mr. Peter Tabuns: I'd also like to thank you for this presentation, because I think it's well thought out and I think the central argument you make, that we have to focus on energy efficiency, is critically important. If we do that, then in fact, yes, we can make investments, reduce greenhouse gas emissions and actually have positive economic impact. I'm far more worried about the cost of nuclear power, to tell you the truth, and its impact on our long-term electricity build than I am on renewable power. I think that what the government has brought forward actually will only add to electricity production in Ontario in a fairly small number.

Is there large-scale discussion within your sector right now on manufacturing components and full-scale products for the renewable energy industry? I know that in Toledo, Ohio, there are examples of companies that used to make windshields for cars and are now making the glass for solar panels. Michigan is doing a large-scale evaluation of auto parts plants to look at expanding the products they make to get into renewable energy. Are you, in the auto parts sector, looking at that now?

Mr. Gerry Fedchun: Yes, we are. I have to admit, this is a relatively new phenomenon and it's really a result of the fact that the production of vehicles is down. But as I said to the membership, you aren't manufacturers of auto parts; you're manufacturers. You can manufacture anything. If you're making gears for a transmission, you can make gears for a windmill and you can make gears for a lot of other things. We are also trying to get the mindset of a lot of manufacturers to understand exactly what their core competency is. The fact is, we are very good precision manufacturers. Windmills and solar power require precision machinery, and that's what we do already.

Mr. Peter Tabuns: Yes, exactly. Thank you.

The Chair (Mr. David Orazietti): Thank you, Mr. Tabuns. Mr. Mauro.

Mr. Bill Mauro: Can I ask you, who is your primary competing jurisdiction when it comes to the production of auto parts?

Mr. Gerry Fedchun: Right now, the new plants are going in the southern US. Some of our companies have had to go there because it's so far away that we couldn't supply from here.

Mr. Bill Mauro: The pricing hasn't changed yet, so why are they moving now?

Mr. Gerry Fedchun: The pricing in the southern US right now is already 30% below.

Mr. Bill Mauro: Sorry—on your 3.5% on your energy piece. So if your concern is that, going forward, the energy costs are going to make you uncompetitive—you've just told us that car part plants are already leaving. Why are they leaving now? It's not the energy part yet.

Mr. Gerry Fedchun: You've got to look at the total cost of your product, and every little bit—it's a very low-margin product.

Mr. Bill Mauro: Okay. So they're already leaving, though—

Mr. Gerry Fedchun: It's volume-based.

Mr. Bill Mauro: I understand that; I appreciate that. But they're already leaving. So now, going forward, you're at 3.5%, you said, and you have a concern about an increased impact on that number. Your primary competing jurisdictions are American. So if President Obama is going to go to a carbon pricing system, how do you anticipate that that's going to affect your primary competing jurisdictions and what position would it put you in to compete with them?

Mr. Gerry Fedchun: I have to admit that we're not that knowledgeable in all of the things he's proposed. We don't have an expert on staff to actually analyze it.

The main thing is the fact that they are our competition, so we have to make sure we stay even with them. Whatever we do, we want to do something that takes us out of the competition. We certainly, incrementally, look to having more renewable energy resource at a lower carbon footprint; that's what we need to do. But what we need to keep is to not get ahead of the competition and go faster, in terms of cost increases, than our competition is going. So as long as we stay even with them, it will work. That means to have a measured pace in terms of change so that our change in cost is not at a higher rate than the change of cost of our competitors.

The Chair (Mr. David Orazietti): I think we're out of time. You have about 30 seconds if you want to—

Mr. Bill Mauro: Thank you, Chair. I'm sorry; I thought you were saying I was done.

Currently, the 3.5% is not the issue for them leaving the jurisdiction. The carbon pricing system from Obama is likely to put an increased pressure on their input costs as well in that jurisdiction. So actually, going forward, we may find ourselves in a better position here in your sector potentially, I think it's fair to say, when it comes to energy inputs as a portion of your total input costs.

Mr. Gerry Fedchun: I think it's very important whenever you're going forward—when you're in a platoon of soldiers, the person who gets shot first is the point man, and also the person to get knocked off is the one at the back. The one in the middle has the high survival rate, and this is true in competition. You want to be in the middle. You want to be at the benchmark because that's where you'll be best and that's where the Ontario economy will perform the best: if you stay in the middle of the competition.

The Chair (Mr. David Oraziotti): Thank you. That's all the time we have.

JUSTEARTH

The Chair (Mr. David Oraziotti): Our next presentation is JustEarth.

Good evening. Welcome to the standing committee. You have 10 minutes for your presentation and five minutes for questions from members. If you can please just state your name for the record for Hansard purposes. You can begin when you'd like.

Ms. Lynn McDonald: I'm Lynn McDonald, with my colleague Adriana Mugnatto-Hamu. We represent a voluntary environmental group, JustEarth, a coalition for environmental justice—it's not very old—with a very strong focus on the climate crisis.

The bill that you are studying is a skeleton, and how much muscle it has, of course, will depend on the regulations. We feel some frustration about this, and our arguments will be in favour of stronger and tougher measures.

I'd like to turn the mike over to my colleague, and I'll make a couple of remarks at the end.

Ms. Adriana Mugnatto-Hamu: I wanted to thank you for this legislation, especially for the conservation portions, which I think are going to be the most important part going forward. As we know, the energy that you don't use has got to be the healthiest and cleanest energy of all.

I'm going to make four recommendations for how to go forward, and all of these are to aggressively get to the kinds of emissions reductions that we need.

The first is that we need to fully cost all our energy services. What this bill appears to do is create a premium price for renewable energy. What this has done, as other speakers have mentioned and as Mr. Yakabuski has said, is to create a situation where you don't get a lot of support. Germany's the big example for this. They've been very successful with their program—22,000 megawatts of wind, almost 1,000 megawatts of solar—but at the same time, there are 39 coal plants in planning and construction in Germany that would total over 36,000 megawatts of power from coal—and this is lignite. So it's got a problem there.

The problem is that there are serious effects of coal that are covered in other departments; the health costs of coal are given to other departments. Nuclear also: There are insurance costs, there are decommissioning costs, there are health care costs that are implicit in those, and those are all covered. You think that those are cheap energy sources, but they're not. So we should cover all of those costs in our energy prices. Health costs should go down. We should add the cap, if we introduce cap-and-trade, to those costs. Energy prices will go up. I know Mr. Yakabuski is going to complain about that. I agree that industry needs to be protected. We need to give our industry what it needs. But the solution can't be to have cheap energy and make our population sick.

1950

The second thing that I want to say is, we need to set more aggressive targets. This legislation doesn't say what the targets are going to be, but I should point out that we're looking at such things as Al Gore's challenge for 10 years to replace all fossil fuels with renewables in the United States. In the United States, 70% of their generation is from fossil fuels—50% from coal alone. Ontario has lots of hydro—only 37% of our energy comes from fossil fuels, and 21% from coal. We can do this. But we're going to have to plan the details or we'll never get there. This will be good for the economy. It's not good enough just to encourage renewables scattered willy-nilly across the province.

There are serious challenges to removing fossil fuels from the pool. The biggest challenge is not the reliability; the biggest challenge is producing on peak. That's pretty much the service that fossil fuels serve, overwhelmingly, beautifully, and it's hard to get away from that.

There are eight things that we're going to need in a solid electricity plan to go forward, to really build a renewable future. We're going to have to invest in storage—and I see nothing in this plan or in the electricity plan that talks about electricity storage, which we're going to need to support, whether or not we go the nuclear route, because nuclear does not produce on peak. We're going to need to make sure that generation is distributed adequately to account for fluctuations. We're going to need to encourage local generation, as they suggested, so that we cut down on transmission costs. We're going to have to worry about plug-in vehicles and how they play in terms of storage. We're going to have to get real-time pricing. We're going to have to consider how transport, heating and industry, as they go off fossil fuels, will impact the electricity system. We have to consider sustainably using biofuels for peak. And we're going to have to protect agriculture from competition with energy.

The fourth thing I want to say, and this is the last thing, is that nuclear is a very dangerous distraction. You couldn't possibly get a single reactor built in a decade, so it's useless. It's not included in Gore's plan for that reason. But it's actually worse, because in the time period when you're planning and constructing a nuclear reactor, it actually uses enormous amounts of energy. So what we're doing is increasing our energy demands, increasing our emissions, at a time when we desperately need to decrease them. Also, while we're waiting for those new nuclear power plants to come online, we're anticipating that we're going to have this big, giant producer, so we'd better keep the demand up until that time, and we're going to keep it up with fossil fuels. So, again, we're increasing emissions at a time when we desperately need to decrease them.

There are also implications of the huge infrastructure development while reducing emissions. These are big costs. It's very challenging. This is something a colleague of mine actually spoke to Minister Smitherman about at a public meeting. Minister Smitherman asked

him to write a submission. He asked me to help him. I have that letter. It hasn't been responded to. It's a serious concern.

The last problem with nuclear is just the extreme cost. Moody's Investors Service did a study and analysis of what nuclear costs—because of course the things are up and down, and the nuclear companies will always give you a lowball estimate and it'll go up. What they came up with was US\$7,500 per kilowatt installed. That's not including fuel costs, which are rising. It's not including operating costs. It doesn't include insurance or decommissioning. That's just construction. So, just for the construction alone, if Ontario goes forward with this insane plan of 14,000 megawatts, which is what it's saying, that would be C\$130 billion, which is more than \$10,000 for every Ontarian. That's an insane plan, and it'll cut down any real hope of a sustainable future.

Ms. Lynn McDonald: Do I have time to make one final comment?

The Chair (Mr. David Oraziotti): Yes, you do.

Ms. Lynn McDonald: Back to the issue of regulations: The section on public agencies may be required to prepare energy conservation and demand management plans, to achieve prescribed targets and meet certain standards. Government procurement policies could play an important role in moving us to conservation and renewables, so we would certainly hope that this aspect of it would be acted on vigorously.

One final thing I would like to say is: On the benefits of renewables, it's not just when you burn fossil fuels that you cause greenhouse gas emissions. This is a resource which is non-renewable, and we don't have very much of it left—more coal than oil and gas, but still not very much—and so we have all kinds of incentives to move swiftly in this direction.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns, you're first up. You have about a minute and a half.

Mr. Peter Tabuns: Thanks for coming and making a presentation this evening. Going back to nuclear and the cost: Most of the time when we think about these costs we don't think in terms of dollars per kilowatt of capacity; we think in terms of pennies per kilowatt hour. Do you know what the cost is or can you tell us about the cost per kilowatt hour for the nuclear power set out in the McKinsey report?

Ms. Adriana Mugnatto-Hamu: I could estimate. I don't actually know. They didn't actually say per kilowatt hour. But assuming that you've got 80% capacity, you can go from there and estimate what it would be. I do have the study if you want it.

Another thing that it does say is that the implications to a public-owned utility is, for each nuclear reactor constructed, it will decrease the credit rating of the utility by 25% to 30%. That's their estimate, if you'd like that.

Mr. Peter Tabuns: If you could provide that report to the clerk so that we can have it circulated to all of us, I would appreciate that.

Ms. Adriana Mugnatto-Hamu: Absolutely.

The Chair (Mr. David Oraziotti): Thank you, Mr. Tabuns. Ms. Broten?

Ms. Laurel C. Broten: Thank you for your presentation, and I do want to commend you. I know how hard it is to put together a submission as a volunteer organization, and we do appreciate the thoughtful nature of the document and your submissions today.

If you haven't had an opportunity to look at quantification of the externalized costs associated with coal as a source of electricity, we undertook that in the province a number of years ago, and I think it was a really important aspect of explaining how many externalized costs there were to this cheap source of electricity. Similarly, we took a look at the coal electricity being produced in the US and analyzed the cost to Ontario in the form of air pollution, so it's a really important analysis to see the true cost.

You spoke about storage, and we've had a few submissions over the last number of days with respect to storage. When you're referring to storage, there could be battery-type storage, some kind of storage mechanism which we've heard about. There also could be water-based pump storage. I know that the minister made a directive with respect to analyzing that. Do you have any comments with respect to what type of storage, or do you really want to expand on that point?

Ms. Adriana Mugnatto-Hamu: I actually put together a presentation by a gentleman who came from BC. There's a Canadian company that has storage. He talked about the different options and he made it clear that the cheapest option is to, in fact, pump storage where you can have it. It's site-specific, but we have a tremendous opportunity here in Ontario because there are some engineers toying with the idea of raising the level of Lake Erie by one inch, which would represent a huge, immense storage capacity. There's also pumped gas storage, for which we have some depleted wells that we can use, and that's quite cheap. In areas where you can't use it, and that may be critical for getting electricity to where you can, the best that we've had is exactly this company out west. It's a Canadian company. They produce something called the vanadium redox battery. They're called VRB Power Systems.

Ms. Laurel C. Broten: I think they're in CC to AA right now.

Ms. Adriana Mugnatto-Hamu: Yes.

The Chair (Mr. David Oraziotti): Thank you. That's all the time that we have for questions. Mr. O'Toole?

Mr. John O'Toole: A respectful thank you very much for your presentation, and I appreciate your voluntary compassion for the right things. I can't find a lot of things to disagree with. Perhaps a little touch with reality the odd time is good, too. I'm not being cynical. I think we have a structure of a generation supply mix that's—and this is really about trying to add some variety to that. What would you consider to be full-cost pricing? You've mentioned a few jurisdictions—Denmark and Germany. What's the average consumer paying—a senior citizen like me or you? What would they be paying?

2000

Ms. Adriana Mugnatto-Hamu: In Denmark and Germany?

Mr. John O'Toole: Yeah.

Ms. Adriana Mugnatto-Hamu: I know that their energy costs are about four or five times ours.

Mr. John O'Toole: That's reasonable. I don't want that type of increase myself. I think we have to look at some options. You talked about full cost—

Ms. Adriana Mugnatto-Hamu: Can I just mention, though, that their energy bills aren't higher, because they use so much less that the average German actually pays the same.

Mr. John O'Toole: I think you've got a good point there, and I think the smart meters are being installed and these new, different-prices plan is so that, when they realize how much it's going to cost, people won't be using the power.

Ms. Adriana Mugnatto-Hamu: That's right.

Mr. John O'Toole: In fact, they'll be shivering in the dark, and that's fine. That's a society—

Ms. Adriana Mugnatto-Hamu: I don't think the Germans are shivering.

Mr. John O'Toole: I'm not trying to be trite. I just think it's a significant shift in the way we are accustomed. I think you bring up a very honest, straightforward presentation. That's what's missing from the government.

When Mr. Yakabuski asked the question of Mr. Smitherman, "What's the price?" "A 1% increase." That is absolutely false. In fact, he should be ruled out of order. He's not telling the truth. If they're going to make these changes, I think the most important thing is to be honest with the people of Ontario. If it's all about health—which I'm in support of, by the way—let's be honest. They have told so many stories on this package that I'm losing confidence in them. They've said they would close the coal plants—

The Chair (Mr. David Oraziotti): Mr. O'Toole, on that note, that is time.

Ms. Adriana Mugnatto-Hamu: Can I just point out—

The Chair (Mr. David Oraziotti): I'm sorry. That's time. Thank you very much for your presentation.

TORONTO RENEWABLE ENERGY CO-OPERATIVE

The Chair (Mr. David Oraziotti): Our next presentation is the Toronto Renewable Energy Co-operative.

I understand you have a PowerPoint presentation.

Ms. Judy Lipp: I do, yes.

The Chair (Mr. David Oraziotti): Okay. You have 10 minutes for your presentation and five minutes for questions from members of the committee. Please state your name for the recording purposes of Hansard, and you can begin when you like.

Ms. Judy Lipp: Thank you very much. My name is Judith Lipp. I'm representing the Toronto Renewable En-

ergy Co-operative. TREC is a not-for-profit co-operative best known for developing the wind turbine down at Exhibition Place, and not to be confused with my previous colleague, who spoke for WindShare. Because we're a not-for-profit co-op, we spun off the WindShare project into a for-profit co-operative.

TREC has been active in the community power sector in Ontario for the last 10 years. Arguably, we probably have the most extensive experience developing community-based renewable energy projects in the province.

My apologies for the presentation. Technology doesn't always work, unfortunately.

TREC has, as its mission, to develop community-owned projects that individuals around the province can invest in and participate in—in that way, spreading the benefits of projects around to various constituents and individuals. We've also been very active in developing a renewable energy education program with partners like the Toronto District School Board and the Toronto conservation authority.

There are a couple of things. We certainly applaud the work that has gone into the Green Energy Act and the opportunities it provides to communities for developing projects at different scales and for different constituents and in different locations. We have been trying to develop a number of projects around the province after the WindShare co-op. One of those projects is the Lakewind project, which was mentioned previously. As some of you will know, we have been unable to connect to the grid in that area, so the right-to-connect requirement in the act is certainly very welcome.

Inclusion: We have also been working with the residential sector in Toronto, helping individuals install solar energy systems on their roofs—both solar PV and solar hot water. We've also done a study looking at a solar co-operative model for Toronto, and the numbers there indicate that we need a feed-in tariff of the level that has been introduced through this process, and so we certainly welcome that.

The Green Energy Act is a unique and significant piece of legislation. I recently completed my Ph.D. looking at policies for renewable energy in different jurisdictions, and certainly this is one of the most progressive pieces of legislation in the world. It certainly provides some strong potential for development both at the community level but also in the sector in general.

I just wanted to touch on the importance of the comprehensive approach that the act provides and to speak to Mr. Fedchun's comments about the wedge study and the need for a multilayered approach to addressing our energy issues. I think the Green Energy Act does that very well because it does prioritize conservation and renewables as well as addressing some of the other wedge components that need to go into an energy plan. From our perspective, we welcome the feed-in tariff mechanism and the guarantee for renewables to connect to the grid as well as addressing some of the barriers to community-based development.

On the recommendation side, I'd like to reiterate the point made earlier by my colleague Evan Ferrari about the need for fits that are based on resource intensity. And, to your question about which jurisdictions have experience with resource intensity-based, both Germany and France have been using a resource intensity-based approach to calculating the tariffs over time. What they've shown is that you reduce the excessive profits that can result from very-high-wind areas. So we would really like to encourage the inclusion of resource intensity-based tariffs in the act.

Other benefits of using this approach is that it would help spread development around the province as opposed to concentrating it in very high wind areas. This is important for enabling broad-based participation, because you can't move the resource; it's where it is. In this way, you enable broader participation and avoid excessive profits.

To my next point, I'd just like to address—and this perhaps doesn't fall directly under the act, but is certainly coming up in the feed-in tariff discussions—and that is the need to grandfather existing contracts. We represent 34% of all solar PV installations that have been done in the province. These people are pioneers. They've essentially gone out on a limb and invested in solar PV. The cost to the province would be only an additional \$250,000 a year for the solar PV sector, and I think, as pioneers, these people deserve recognition for their efforts. So I would be remiss to not mention that and speak on their behalf here.

My third point is the connection charges. We'd like to see shallow connection charges being applied to generators that are connecting to the grid. One of the barriers that projects have encountered in the past has been, first of all, the lack of transparency about the cost, as well as the high cost of connecting. We feel that the connection costs are in the control of and should be incurred by the rate base as opposed to by the project developer, up and beyond the basic connecting to the grid. This will be mentioned in schedule D, section 15, which determines connection charge-sharing.

Finally, I just wanted to comment a little bit further on the community power sector and the need for specific support for that sector if they are to participate actively in the benefits that the act could provide. It's our experience that it's a cumbersome process to go through and develop these projects and certainly the streamlining of applications and approvals will be a significant benefit. However, there are still access-to-financing issues, and so we would recommend that the act consider the inclusion of funds for loans and capacity-building and other community support to ensure that community groups have access to those funds and are able to move forward with their projects. In the process, the individuals involved are developing expertise and skills that they can then pass on and use as we move forward. I think this is an important feature to be included, and it will be things like grants for capacity-building and feasibility studies and project development loans, capitalization loans and the like to

ensure that not only groups like ours, but First Nations, farmers and community groups—

The Chair (Mr. David Oraziotti): Excuse me. Just so you're aware, you have about 30 seconds.

2010

Ms. Judy Lipp: Okay. I'm just wrapping up.

So just to reiterate then: looking for FITs differentiated by resource intensity, RESOP contracts converted to FITs, shallow connection charges and ongoing financial support for the community power sector.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Government caucus, Ms. Broten?

Ms. Laurel C. Broten: Thank you for your presentation. With respect to shallow connection charges, are there jurisdictions that you would suggest are doing a better job with respect to allocating those connection charges?

Ms. Judy Lipp: Yes. The Germans, I know, are using a shallow-connection-charge approach, but there is actually a feed-in best practice study that was commissioned by the feed-in co-operative association. They commissioned a German research organization to look into the different types of charges and which ones work best, and there's a useful summary that I can provide.

Ms. Laurel C. Broten: With respect to community co-operatives, my sense is that there's quite a big appetite for community involvement, but there are a number of barriers that really prevent communities from getting engaged. I'm wondering if you just want to highlight the top two or three issues that really stand in the way of a community putting a project together.

Ms. Judy Lipp: I touched on those, and the points that I picked out of the act are essentially those that we've faced most directly. The two biggest barriers are the access-to-grid issue, which hopefully the right to connect and the investment in the transmission grid will address; the second was the rate that's paid per kilowatt hour in the long-term contracts. The RESOP was not calculating a rate based on a reasonable return on investment.

The Chair (Mr. David Oraziotti): Thank you. That's all the time we have. Questions from the Conservative caucus, Mr. Yakabuski or Mr. O'Toole?

Mr. John O'Toole: Thank you very much for the presentation. I also admire your compassion, working at the level you're working in forming co-operatives and micro-kinds of organizations. That's important; it's empowering. I would say that there has been a lot of work done on—I'd draw to your attention a really important report; it kind of fits into what you're talking about. There were a lot of hearings done in 2002 and there's a report submitted by the Select Committee on Alternative Fuels. The minister was here today and he said he met with the Chair. Well, he was wrong. He did not meet with the Chair because the Chair was not Steve Gilchrist. The Chair was actually Doug Galt. Somebody briefed him incorrectly; some staff made a mistake. Marilyn Churley was on that committee—

Mr. John Yakabuski: George fires people who brief him incorrectly.

Mr. John O'Toole: Well, no; I didn't mean it for that reason.

My point, though, is that it's an important report dealing with renewables. In some of the micro-projects—I just want to ask a question here. In my riding there was a very positive, small micro-group that developed solar production. Peter Love was there and a lot of the people from the ministry were there—a few megawatts of solar power. They got, on a standard-offer contract, 42 cents a kilowatt hour, and they financed it themselves. This is something you'd be interested in. Should he get the new 80 cents? You want the 80 cents, the feed-in tariff. You want the—

Ms. Judy Lipp: I'm suggesting that because these people didn't build those projects out of profit to them. All the micro-solar projects were built at a loss, as a commitment to the culture of conservation—

Mr. John O'Toole: That's not a very good business plan, to build at a loss. I'm not criticizing you. He built it with his own money that he raised as capital, mortgaged his house, and the project is called Watts Up Solar; a very interesting project. But he did it with the 42; he's not asking for 80. You're asking for more, and you built them with—

The Chair (Mr. David Oraziotti): Thank you, Mr. O'Toole. That's the time for questions. Mr. Tabuns?

Ms. Judy Lipp: We're happy with the 80 cents.

Mr. Peter Tabuns: Thank you very much for the presentation. Before I ask you a question, I would just ask, Mr. Chair, if legislative research could bring us information on resource-intensity practices in France and Germany and practices in those countries on capacity-building. I think your suggestion, frankly, to invest in capacity-building so that community and local municipality-level activity can actually go forward is very useful for us.

You talk about the right of access to the grid. I asked the minister today about whether or not people in the orange zone could access, and it was pretty clear—no. As long as the nuclear generators are filling the transmission lines, they won't be able to connect. Do you have a different understanding of this? When you use right of access, are you assuming that every renewable power generator will, as a right, be able to connect to the grid?

Ms. Judy Lipp: Not immediately, no. Certainly, the grid constraint problem exists. It's very real. As a result, we're quite pleased that there was the commitment made to addressing the grid constraint issues and investing in the smart-grid technology, but it's going to take time. I still think that the grid is going to be the constraint for a lot of projects.

We did have a meeting with Hydro One last week and were made to understand that they are looking at some of the rules that are causing some of the constraints to see whether or not there were solutions to be found, particularly in the orange zone. Again, those studies are ongoing. It certainly looks like there is work being done

to help projects like ours move forward more quickly as opposed to waiting the three years that it takes to upgrade the grid in that particular region of the province. Our information is probably not much more than yours.

Mr. Peter Tabuns: Thank you. I appreciate it.

The Chair (Mr. David Oraziotti): Thank you very much. That's all the time we have for questions. Thank you for your presentation.

MUNICIPALITY OF GREY HIGHLANDS

The Chair (Mr. David Oraziotti): Our next presentation is the municipality of Grey Highlands.

Good evening and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members of the committee. Anyone who will be speaking, just please state your name for the purposes of the recording Hansard. You can begin your presentation when you're ready.

Mr. Brian Mullin: Good evening, members of the committee. Allow me to introduce myself. I'm Mayor Brian Mullin of the municipality of Grey Highlands in the county of Grey. I am joined this evening by our chief administrative officer, Kelley Coulter, and our municipal planner, Lorelie Spencer. We are also joined by the mayor of the town of the Blue Mountains, Mayor Ellen Anderson, and the director of special projects for the town of the Blue Mountains, Peter Tollefsen.

The municipality of Grey Highlands was created on January 1, 2001, and consists of the former townships of Artemesia, Euphrasia and Osprey and the village of Markdale. The municipality occupies an area of approximately 90,000 hectares and currently has a population of approximately 9,400.

The municipality is bounded by the townships of Southgate and Melancthon in Dufferin county to the south, the municipality of Meaford to the north, the townships of Chatsworth and West Grey in the west and the town of the Blue Mountains and the township of Clearview to the east.

Approximately 18% of the land area of the municipality is located within the Niagara Escarpment plan, a UNESCO biosphere reserve. Approximately 65% to 70% of the municipality is conducive to the placement of renewable energy facilities.

The municipality requested this opportunity to speak today to voice our concern regarding the proposed removal of Planning Act powers within Bill 150.

I will now turn our presentation over to our municipal planner, who will provide you with a summation of our concerns.

Ms. Lorelie Spencer: In the absence of any direction or position from the province, the municipality spent significant time and resources in a proactive manner to research, draft and implement policies to deal with the placement of renewable energy projects at the local level. Research commenced in 2004, with the final approval of what is now referred to as official plan amendment no. 10

and zoning bylaw amendment no. 2008-56 coming into force and effect in late 2007 and early 2008. Bill 150 in its current form would completely disregard these policies and basically put them into no force and effect.

2020

In the absence of regulations associated with this bill, the municipality is concerned that the province has not taken into full consideration all scales of renewable energy facilities. For reference purposes, the handout has underlined the scales of renewable energy facilities and systems that have been defined within the municipality's official plan amendment no. 10. We have broken down these scales into micro-, small-, medium- and large-scale projects and facilities.

We would respectfully request that further consideration related to the scale of renewable energy facilities in the bill be given. It is unclear as to whether or not the province intends to provide a permit process for all scales of renewable energy projects. The municipality is skeptical that the province intends to permit all scales of renewable energy projects, and whether or not small- or micro-scale systems will be included, specifically those purchased from department stores; or further provide permits for self-constructed systems. It is the position of the municipality that the impacts associated with the scale of the facility are significant, regardless. For example, in the event that an individual undertakes to construct their own wind turbine from a washing machine drum, will the province require that individual to go through a permitting process as part of Bill 150? The installation of self-constructed systems has occurred in the past within the surrounding municipalities and in the counties of Grey and Simcoe themselves.

At a minimum, the municipality strongly urges the standing committee to continue to permit Planning Act provisions to apply to medium-, small- and micro-scale systems in order to permit the municipality to have the tools to provide meaningful participation and directions in the process and prevent impacts from the placement of renewable energy systems on a small scale. Again, the municipality has the policies in place to adequately address renewable energy applications and should be permitted to continue to do so on at least medium-, small- and micro-scale projects. The need for municipal participation and meaningful public process exists for all scales of renewable energy projects.

Bill 150 would further seek to remove the powers of site plan control from the municipality. In doing so, the municipality would be unable to require such items as road improvements, landscape requirements or parking provisions, or impose height limitations, setback limitations or other site plan matters as part of the development.

For example, if a biomass facility is proposed, the municipality would be unable to require the proponent to participate in a site plan approval process, and in the event the facility is located on a substandard road with significant truck traffic, the municipality would also be unable to require contributions from the proponent

toward road upgrades, leaving the increased maintenance and upgrade costs of the roadway to the local ratepayer. The municipality is concerned that without local input during the preliminary project stages, the conflicts related to the siting of facilities could be significant and ultimately create project delays and cost overruns against the proponent.

The municipality is further concerned for the potential of a standard setback application to renewable energy facilities. Again, no clarification has been provided to indicate the intended methodology for the establishment of these setbacks, and they would primarily appear to address large-scale projects. As we've previously stated, medium-, small- and micro-scale projects all present potential impacts. For example, will the province be establishing setbacks on the basis of health or environmental studies relative to the local area where the project is proposed, or will an arbitrary and broad-based standard be utilized? On the basis that the municipality's own local policies were reviewed by the province, we would respectfully request that these policies be strongly considered as part of this process.

The municipality is also concerned that during the review of our local policies, the province did not indicate that they would be enacting legislation of this nature, which caused the municipality to create their own set of resources through which to address renewable energy projects in a proactive manner.

Bill 150 will also require proactive initiatives from local municipalities to streamline the functions of the municipality from a conservation perspective. The municipality is supportive in principle of the requirement for conservation and demand management plans. However, this municipality would suggest that it may be prudent to investigate a variety of conservation standards to ensure that unnecessary costs are not imposed on the municipality in the implementation of such a plan. For example, the municipality of Grey Highlands operates multiple facilities. Without a clear understanding of the requirements and responsibilities of such a plan, it is unclear what impact this requirement would have on the local tax base.

Presently, there is no requirement for home inspections or audits to be conducted prior to the sale of a home in the province. The municipality is concerned that this approach is adding burden to the local ratepayers as the costs and duration validity of such audits are not clear. It is also unclear what criteria are intended to be reviewed as part of the mandatory audit. An alternative approach may be the use of a tax incentive for those individuals who conduct home energy audits in general and not just prior to potential sale. The current proposal would appear to create an undue burden on anyone attempting to sell their home. A home is an individual's greatest asset, and in the absence of the criteria associated with a home energy audit, the value of the home could be significantly reduced, with no recourse for the ratepayer to recoup the lost value.

In summation, the recommendations from the municipality are as follows: that the aspects of Bill 150 that seek to remove powers from the local municipality, conservation authorities and the Niagara Escarpment Commission should be removed. At a minimum, the powers within the Planning Act should remain in place for all medium-, small- and micro-scale renewable energy projects. Doing so would allow municipalities to retain their OP policies, zoning bylaw provisions, and the ability to utilize site plan control. Further, to prevent an undue burden on the local tax base, the requirement for a conservation and demand management plan should be conducted in a manner that provides flexibility from a cost and implementation perspective. Finally, an alternative approach to the mandatory home energy audit should be reviewed by the province to provide tax incentives for motivated individuals to conduct energy-efficient renovations and conversions for the homeowner.

Ms. Ellen Anderson: Mr. Chair, I'm assuming we're out of time. Do we have time to hear from me?

The Chair (Mr. David Oraziotti): You have about one minute.

Ms. Ellen Anderson: Oh, boy. The Blue Mountains believes in the Green Energy Act. We also believe that municipal government has a real role to play, and we're very concerned that we will lose that. Without the proper research and time involved, we do experience—jointly, we have one of the largest water-bottling facilities in Canada and perhaps North America. Permits were given out very quickly, all in good faith, before the actual impact was really realized. We're asking for a little more time to review the notes on Bill 150, as we feel that some possibly detrimental things could happen. We do support it, but we want to be involved.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

Mr. Yakabuski, questions? You have about a minute and a half.

Mr. John Yakabuski: Thank you very much for your presentation.

Ms. Spencer, you made the bulk of the presentation. It seems that George Smitherman wants to be able to put windmills wherever he wants and pretty well usurp the decision-making powers of the municipality and the authority that has been granted, by virtue of your elections, to Mayor Mullin and Mayor Anderson. What's next for this government? Are we going to reach the point in the next little while where you, as the government that is closest to the people, are not necessary, if at the provincial level we just decide that we're going to make the decisions for you? That's one question I have.

The other question is, do you think there's any connection—no pun intended—between the Liberal Party and major players in the renewable energy field such as Michael Crawley, the president of the Liberal Party, and the desire for George Smitherman to move so quickly on this bill? As you say yourself, they're moving too quickly. Do they want to get this in by cover of darkness? What seems to be the rush?

Ms. Ellen Anderson: I would be glad to try to answer that. I believe that political involvement is extremely important, be it Liberal and/or Conservative, as far as assisting municipalities with this great endeavour. I do believe that renewable energy is essential. We're in a time of crisis when it comes to work. I do appreciate anyone who's looking to be resourceful and find ways of getting people back to work. But I could never play one political party against the other. I really believe in what the act is trying to do. We're a green community. We believe in renewable energy, but we also believe that we have really valuable experience and input to work along with the province, whether it's the Conservative Party or the Liberal Party. We do appreciate it. We believe it's vital that you have the grassroots knowledge from the local municipalities. We've shown through our study process and our public consultation processes with regard to renewable energy that we are capable of making the plans.

2030

The Chair (Mr. David Oraziotti): Mr. Tabuns?

Mr. Peter Tabuns: Thank you for taking the time to come down here today and speak to us. I know it's a bit of a distance to travel, so thank you. As I understand the government's argument on this, they want to ensure that projects are not held up by unreasonable or narrowly political interest. We had a presentation today from Mark Winfield, a professor at York University, essentially arguing along the lines that you've argued and saying that these changes would be problematic. But can you speak to us about how or what would be the best format to ensure that projects went ahead expeditiously, because we know that we need them, and yet avoid unreasonable or grandstanding-style opposition to renewable energy?

Mr. Brian Mullin: Lorelie, if you want to—

Ms. Lorelie Spencer: I would like to point out that the municipality of Grey Highlands in particular took significant time, effort and resources to create policies so that, in the absence of provincial direction, if an application came forward, we were prepared to deal with that application not on an arbitrary basis but on the basis of studies, discussion papers and periods of time where significant research over a course of many years was completed by the municipality. We're being unfairly lumped with individuals who have passed resolutions with so-called moratoriums against renewable energy projects. We feel that we've done a great service to our ratepayers by being proactive in this process, allowing processes and renewable energy facilities to move forward.

The Chair (Mr. David Oraziotti): That's the time. Mrs. Mitchell?

Mrs. Carol Mitchell: Thank you very much for coming down today from the beautiful county of Grey. First—and it would behoove me to not say this—as you know, we passed in legislation that we are partners with our municipalities. This very issue was discussed at the AMO MOU table. Furthermore, we had the Minister of Energy and Infrastructure here just prior to the beginning of the hearings today. One thing that he assured us of is

that the regulatory standards framework will be by the MOE. They will be health and safety and environmental standards, and there will be a public input apportionment to the scope of the projects as well. I hope that has given you some assurances.

But one of the things that I want to give you the opportunity to speak about is, what are your setbacks today? And when you talk about excluding the definition of medium, small and micro, I want to give you an opportunity to speak to those two things. What are your setbacks, and what do you deem as small? How would you define it?

Ms. Lorelie Spencer: On the basis of setbacks, it's not a standardized setback throughout the municipality; it depends on the type of renewable energy facility. If you're speaking about biomass, for example, and a structure, the zoning bylaw provisions with respect to setbacks would apply. Whereas, if you're talking about wind turbines or wind turbine facilities, the setbacks that would be applicable to those structures are outlined in OPA 10 and they would also be based on the scale of the type of structure and the height of the structure that's involved. So it's not an arbitrary standard setback for any facility of that nature. We've gone into great detail to outline those objects within our zoning bylaw and our official plan.

With respect to going through renewable energy systems: We've classified micro-scale projects on the basis that they're considered a category A project as defined by Ontario regulation 116/01 as printed in the Ontario Gazette, May 12, 2001. It also has 10 kilowatts or less of nameplate generating capacity and does not exceed 17 metres in height. In the interest of time I will just contrast that with large-scale projects, which mean any renewable energy system that meets any of the following criteria: With respect to a wind energy system, it's classified as a category B or C project, as defined by the Ontario Regulation 116/01. These projects are subject to an environmental screening process—category B—or an individual environmental assessment process—category C—according to the Environmental Assessment Act. These structures would exceed 61 metres in height. In a solar energy system, it would have ground and solid facilities that occupy greater than one hectare or more of land. Finally, it is a biomass energy system with a nameplate generating capacity of five megawatts or greater.

The Chair (Mr. David Orazietti): Thank you very much for your comments and your presentation. That's all the time we have.

STUDENT REPRESENTATIVES OF
HUMBER COLLEGE'S
SUSTAINABLE ENERGY AND
BUILDING TECHNOLOGY PROGRAM

The Chair (Mr. David Orazietti): Next presentation, the student representatives of Humber College's sustainable energy and building technology program.

Welcome to the committee. You have 10 minutes for your presentation and five minutes for questions. Please state your name for the recording purposes of Hansard, and you can begin your presentation when you like.

Ms. Michelle Bird: Hello, everyone. My name is Michelle Bird. Thank you for allowing me to speak tonight on behalf of the students in our program. We appreciate being able to have young people have a voice in this process.

I'm a student representative at the Humber College sustainable energy and building technology program. It's the first year that this program is being offered at Humber College, and it's a three-year program. It's a really innovative program. It's one of the best in the province, I think, in terms of its ability to combine theory and design.

I just wanted to come down to talk about the kind of students that are in the program. They were expecting an enrolment of 30 students and we have 65 in the program. For September 2009 they were expecting another 60 students; we have 80 students enrolled and there are 100 on the waiting list. So there's definitely an interest from young people in sustainable energy and building technology. Humber can't even accommodate the amount of students that are interested.

The kind of people who are enrolled in my program: We have such a range. We have students coming straight out of high school. Myself, I'm a person who has already completed an undergraduate degree and I'm going back to school for more specialized training. One of my fellow students worked as a plastics moulder in Windsor in the auto supply industry and moved his whole life to Toronto to start a new life trying to get into a different sector because he sees opportunities for growth and he sees another sector that's changing.

We just had four points that we wanted to bring up to the committee.

The first point is that we're looking for you to create policy tools for the future. My generation is planning for careers that don't even exist. Ten or 20 years ago, these jobs didn't exist, and they don't even exist right now. So we need a piece of legislation that thinks big. We're looking for policy tools and economic structures that enable my generation and the generations to come to find sustainable solutions. We are receiving training to be able to make a difference in Ontario. Governments and other organizations need to provide the framework and foundation in which change can occur to move our society towards a more sustainable existence.

Our second point is that our first action still has to be conservation. We've all heard the phrase that the cheapest kilowatt is the one that's never used, but before we even speak of energy generation, we need to talk about conservation. We've learned in our Building Science course that Canada's buildings are among the most energy-intensive users on all of the planet, and that's when you take out the consideration of extreme weather. So we have to change the way we consume energy in this province. We're looking to the act to make conservation

a priority in planning, regulation, procurement and operation by all agencies responsible for regulating the energy sector.

Our third point is that we would like to see community energy empowered. We're asking you to recognize the importance of new ways of thinking. The days of relying only on centralized energy distribution need to be put behind us. We support mixing traditional distribution with community power generation and distribution. To this end, we see the need for the act to allow the minister to allow direct community investment in renewable energy projects and support community energy planning. We also see that this would provide a diverse range of jobs to be created so that not just one type of job is being created by the opportunities ahead of us.

Our last point is that we should look beyond the obvious alternatives. As I mentioned in our first point, my generation is planning for careers that don't even exist yet. There are technologies that will continue to push the envelope of energy conservation and efficiency. We encourage the act not just to enable the obvious renewable technologies of today, such as solar, wind and earth energy, but to enable innovations in the technologies that have great potential for Ontario, such as combined heat and power systems. Yes, the Green Energy Act is a groundbreaking piece of legislation for North America, but we urge you to take it further and think about the Ontario we could see in 25 years and how this act can take us there.

Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns, you have a minute and a half to two minutes.

Mr. Peter Tabuns: First of all, thanks for making the presentation and thanks for—I was going to say “putting a bet on the future,” but it's not a bet. I think it's a pretty safe investment, frankly.

I'm pleased that you talk about energy efficiency right at the top here. When you look at this act, are there ways that you would suggest it be reshaped to make energy efficiency far more central? We've got a feed-in tariff for renewable power, for instance, but we don't have a comparable feed-in investment, an investment incentive to get people to get into conservation in a very heavy-duty way.

Ms. Michelle Bird: To be honest, I'm not sure of the mechanisms that could be used to include in the act. So I can come back and get more information if you like, but I'm not sure what the exact mechanisms are that you could include in the act that would encourage specific results in terms of efficiency.

2040

Mr. Peter Tabuns: And in terms of the job creation that you see in renewable power, is this an issue that's being discussed in your college at this point?

Ms. Michelle Bird: Yes, definitely. I think, depending on how the act shakes down, there will be different ways that investors will want to come into Ontario which will shape the kinds of jobs that we see in the province. So

enabling a lot of community power will allow people who are coming out of college, who are not necessarily engineers but more a designer on a small-scale approach—that will give them opportunities to be involved in community power projects. So there are different levels at which young people can get involved in the job creation process.

Mr. Peter Tabuns: Okay. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much. Ms. Broten?

Ms. Laurel C. Broten: Thank you very much, and thank you for joining us. I am very pleased to have Humber College's Lakeshore campus in my own home community in Etobicoke. I did have a chance to get to the north campus not long ago and was really amazed by the innovation that's happening in the program development, in your program and many others. I really felt, meeting the students there, a sense of optimism, that the programs were very concrete and that there is a real mind's eye to what types of jobs will exist in the future. I really did feel that in your program as well.

Folks who are coming into your program—if you could just expand a little bit on what you were talking about to Mr. Tabuns in terms of what the goals are of someone who is coming into your program and where they see themselves fitting into the new green economy.

Ms. Michelle Bird: There are a couple of different levels, but for the majority of the students that come out of the program, the focus is for them to be designers for small energy systems, so for small buildings rated in the Ontario building code as small buildings, and also to be able to take from design stage to installation small energy systems such as earth energy, solar and wind. The focus for the students in my program is definitely on the smaller scale, not so much on the large engineering scale.

There are also students who are interested in being installers, so we're looking for more educational materials to be designed, because right now, for example, if someone wants to install a solar panel, there's no installer accreditation. Anyone can be an installer right now. We know that that's in the process to be developed at a federal level, but all these little tools are coming together to enable young people.

Ms. Laurel C. Broten: And this program is how many years?

Ms. Michelle Bird: It's a three-year program.

Ms. Laurel C. Broten: A three-year program. And are you in your first year?

Ms. Michelle Bird: I'm in my first year. It's the first year that it has been offered.

Ms. Laurel C. Broten: Okay. So three years from now we'll see a big boom in the sector as folks get out, and I think it will be one of those things that is very exponential, so congratulations and best of luck in your program.

Ms. Michelle Bird: Thank you.

The Chair (Mr. David Oraziotti): Thank you. Mr. Yakabuski?

Mr. John Yakubuski: Thank you very much, Michelle. It's a pleasure to have you here, and I congratulate you for making the application to come before the committee.

I believe very much in technology. We have to embrace it. I'm going to paraphrase, but at the Paris World's Fair back in the 1800s, somebody made a comment about Thomas Edison's invention of the light bulb that, "After the light goes out on the Paris World's Fair, it will also go out on the light bulb and we'll never see it again." Of course, that same thing has been repeated over and over again through history.

Technology does lead the way, but it's also fact and documented that every time that man has found a way to use energy more efficiently, energy use has gone up, because as energy becomes more efficient and accessible, we find more things to do with it. That is historically proven. Our energy use has always gone up because we find more things to do. I mean, 20 years ago, who had a cellphone? It was that big. And now everybody has got one, or most people—those kinds of things. So technology drives the change and we need to embrace it, but it is not necessarily going to mean that the world's energy consumption is going to go down. So we do have to have ways of producing that energy.

What you people are doing with this sustainable energy program is great, absolutely fantastic, but I think there is some disagreement sometimes here about whether or not we can get all of that energy from renewable sources, or we also—and I understand the word "sustainable," but whether or not, at least now, we still have to use some of those conventional sources.

I agree with Peter. The time will come—it's not going to come in my lifetime because I'm certainly not going to live that long—when we go beyond the nuclear age.

The Chair (Mr. David Oraziotti): Unfortunately, that will have to be a rhetorical question. That's our time for questions. Thanks.

Interjections.

The Chair (Mr. David Oraziotti): The time for questions is over. Thank you very much for your presentation.

MICHAEL TREBILCOCK

The Chair (Mr. David Oraziotti): Our next presentation is Michael Trebilcock.

Good evening, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from committee members. Please state your name for the recording purposes of Hansard, and you can begin your presentation when you like.

Mr. Michael Trebilcock: My name is Michael Trebilcock. I'm a professor of law and economics at the University of Toronto law school. I'm also a resident of Grey Highlands, from whom you heard a few minutes ago. I'm also associated with the Preserve Grey Highlands citizens' coalition.

I've spent a large part of my academic and professional career studying issues of economic regulation. I don't envy members of this committee and the Legislature at large in wrestling with difficult policy issues pertaining to climate change. As with many other complicated policy issues, it is often not clear what the ideal policy response is.

However, focusing on industrial wind turbines, if in some other context one were to say, "There's a range of policy options, but one of these options will have no significant impact on the problem in question and, secondly, will cost a fortune," it would not seem likely to me that this would be a plausible policy response. As I turn to industrial wind turbines, that seems to be precisely what the overwhelming body of evidence shows.

Let me review quickly the points that I elaborate at greater length in my written comments that are footnoted to extensive sources. First, industrial wind turbines, where they have been used extensively in countries such as Denmark and Germany, have had either no or minimal impact on carbon emissions. We heard just half an hour ago from the JustEarth people that in Germany they're in the process of building 50 coal-fired plants, so this is not simply my view. In my written comments, I quote from leading public and private sector figures in Denmark, which is a highly wind-intensive nation, that wind turbines haven't reduced carbon dioxide emissions at all because of the need for backup generation capacity, which is often very carbon-intensive. Similarly, *Der Spiegel*, the leading German news magazine, says, "Germany's CO₂ emissions haven't been reduced by even a single gram." We start with a policy that will have little or no impact on carbon emissions. This is my first objection to industrial wind turbines.

My second is the cost. Again, the Danish experience is instructive. The commodity cost—that's just the generation cost, not transmission and generation—runs at about 15 cents a kilowatt hour in Denmark, compared to six cents or 6.3 cents in Ontario—more than double. I quote from leading public and political figures in Denmark in my written comments who call this policy "a terribly expensive disaster." Those are not my words. We know in Ontario today that the Ontario Power Authority is paying about 13.5 cents a kilowatt hour for wind power, which is about twice what is paid for conventional sources. So the Denmark experience tracks very closely the emerging experience in Ontario.

The government has claimed that green energy is going to create 50,000 or 55,000 jobs. Let me quote from a very detailed econometric study just published in Spain, which is another wind-intensive European country, on the effect of large government subsidies to wind energy in Spain. And I cite the study; I'm not making these studies up. There are footnotes for every claim I make.

2050

For every job created by state-funded support of wind energy—this is in Spain—2.2 jobs are lost through higher electricity costs. For every job created by government subsidies, almost two and a half jobs are lost. In Spain,

again, each wind-industry job created by government subsidies cost almost \$2 million in subsidies. So just think about it. The government of Spain is spending \$2 million in subsidies to create one job in the wind industry sector, to destroy almost two and a half jobs elsewhere in the economy. We used to call this voodoo economics, but nowadays, apparently it's called thinking outside the box. It makes absolutely no sense to me, and we're going down exactly this path.

So to repeat my first two key points: Industrial wind turbines will not have a significant impact on carbon emissions and they will raise electricity costs dramatically. That is the experience everywhere else.

Now, being somewhat more parochial, reflecting where I live and have maintained a residence for 20 years, in Grey Highlands, I and many other local residents are deeply concerned about potential health effects, now widely documented in all kinds of peer-reviewed scientific journals, of proximity to these very large, 400-foot-high turbines. Persistent exposure to low-intensity noise over long periods of time can cause serious health effects up to two kilometres away. Again, I cite the scientific studies. This demands, at least for these larger-scale projects, proper setbacks. The French academy of medicine—not me; the French academy of medicine—recommends a minimum setback from adjoining residences of 1.5 kilometres.

My fourth objection to industrial wind turbines, again, is parochial, if you like. It is the effect on adjacent property values. Studies done of impacts on property values in the Melancthon project, north of Shelburne, show that adjacent properties—not the properties on which the turbines are located, but adjacent properties—have suffered property value declines in the range of 20% to 25%, or close to \$50,000. I know that the wind industry claims that there are no adverse impacts on property values, but here is my common-sense question: Drive up, as I do, two or three times or four times a week, through that project, and ask yourself, “Is this where you have ever dreamt of owning a recreational or retirement home, even at sharply discounted prices?” In areas where recreational amenities dominate much more strongly, as in the Grey Highlands area, these effects will be even more pronounced.

So there are my four points. Industrial wind turbines will not have a significant impact on carbon emissions; industrial wind turbines will raise electricity prices substantially and have a negative impact on employment; they create significant adverse health effects for people living anywhere near them; and they have a negative effect on property values for adjacent residences in rural areas, which, for the most part, haven't created this problem. We are not the big carbon emitters, but we are being conscripted into being a large part of the solution.

Let me just close by saying that I think this feature of the Green Energy Act, whatever one might say about other features, reflects good politics but bad policy. What we have is an unholy coalition of environmentalists on the one hand—not all environmentalists, but some—who

take the view, if I may quote from Bill McKibben in the *Toronto Star* a couple of weeks ago, from “The Fierce Urgency of Now”—his view is, to use his words, that “we have to do everything we can imagine, all at once.”

I've spent the last 40 years of my professional and academic life involved in the policy-making process. If anybody had said to me, “This is our starting predicate: We have to do everything we can imagine all at once to solve poverty, counter the war on terrorism,” solve this or that problem, I would fire such a person. But we have some environmentalists who believe that, on the one hand, and then we have wind developers on the other who are motivated by a different kind of green. So we have an unholy alliance of these two kinds of greens: doomsdayers on the one hand and rent seekers on the other. In the Prohibition era, we called this a Baptist bootlegger coalition—

The Chair (Mr. David Orazietti): Thank you for your presentation. That's the time that we have, but we have some time for questions. Mr. Mauro.

Mr. Bill Mauro: Professor, thank you very much for your presentation. I think in Ontario we currently have 15% or 20% of our total energy mix supplied hydraulically. If we didn't have the good fortune to have 15% or 20% of our energy mix supplied hydraulically and it had to be replaced with some other sort of energy generation, whether it would be natural gas or coal or whatever that might be, would that not increase the greenhouse gas emissions that would occur in the province of Ontario?

Mr. Michael Trebilcock: Increase relative to what? Relative to wind turbines or—

Mr. Bill Mauro: Relative to the hydraulic that it would have to replace if the hydraulic wasn't there.

Mr. Michael Trebilcock: Then we're looking at other options. Nuclear is one option.

Mr. Bill Mauro: I see. Okay. That was going to lead me to my second question, because at the beginning of your presentation you made a comment that wind turbines would have no effect on reducing greenhouse gas emissions. If you could install wind capacity in a province that's 10% or 20% or 30% of your total mix, then it would likely, if it's replacing something that produces greenhouse gas, reduce it by an equivalent amount. I guess my second question would be—

Mr. Michael Trebilcock: Can I comment on that?

Mr. Bill Mauro: Sure, but I'll just throw the second question out there in case I don't have much time. My second question would be: What would your preferred energy generation choice be if it's not some of the—

Mr. Michael Trebilcock: Those are very good questions. In Denmark, about 20% of their electricity is generated by wind today, and the considered judgment of people in Denmark in the industry is that this had no effect on carbon dioxide emissions. That's an area that you're describing that already exists in Denmark. You asked me to imagine a scenario where 20% of power here is generated by wind—

Mr. Bill Mauro: But if they didn't have the wind, they'd need to get the energy from something else, and if

that something else produced greenhouse gas emissions, clearly there's a—

Mr. Michael Trebilcock: I think you have to break down what part of the load the wind power is serving. It can never be peak load because you can never depend on it blowing at the right times. If you—

The Chair (Mr. David Oraziotti): That's the time for government questions. Mr. Yakabuski, opposition.

Mr. John Yakabuski: Thank you very much, Mr. Trebilcock. I really appreciate your presentation. Obviously you've done a lot of research. I think sometimes that George Smitherman likes to paint this rosy picture. People like to see these pictures of windmills and believe that they are—because the government will say, "That's supplying enough power for 100,000 homes," or whatever. When you do the math—let's just take Darlington, for example: 3,600 megawatts approximately, nuclear. It runs at approximately a 90% capacity factor, so we'll take that down to 3,200. You'd need two megawatts per wind turbine, and we don't have two-megawatt turbines here; we have one and a half. But we'll take it at two megawatts: You'd need 1,600 turbines times five, because 20% is the best you're ever going to get out of a fleet. Germany gets less than 20% out of a large fleet. It would be 8,000 turbines, and if they were one and a half megawatts you'd need 10,000 turbines to replace Darlington. I think that people have completely the wrong idea about how much power we can actually get out of a fleet of turbines, and the government likes to

paint that rosy picture that somehow we can just replace Darlington or whatever if we build enough turbines. But with 10,000 turbines, the instability in the grid would be something awful, wouldn't it? They'd have to back it up.

Mr. Michael Trebilcock: And then, of course, instead of being surrounded, as I am threatened with, by two or three turbines on each side, we would have hundreds of them through Grey Highlands. We would have to, to get to the numbers you're talking about.

Let me say that I think you raise a point that has broader dimensions; that is, should government be picking winners here? I strongly favour either a carbon tax or a cap-and-trade system so that polluters pay, whether they're consumers or suppliers, and we create incentives for everybody—suppliers, demanders—on every conceivable margin to make appropriate conservation decisions. I am not arguing for doing nothing; I'm arguing that I and the people I deal with face the costs of the carbon they generate, and we will make the necessary adjustments.

The Chair (Mr. David Oraziotti): Thank you, sir. Mr. Tabuns.

Mr. Peter Tabuns: Pass, Chair.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation, sir.

That concludes the committee hearings for this evening. The committee is adjourned until Tuesday the 14th at 9 a.m. in Sault Ste. Marie.

The committee adjourned at 2100.

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Oraziatti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Oraziatti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Ms. Laurel C. Broten (Etobicoke–Lakeshore L)

Mr. Phil McNeely (Ottawa–Orléans L)

Mr. John O'Toole (Durham PC)

Mr. Peter Tabuns (Toronto–Danforth ND)

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke PC)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. James Charlton, research officer,

Ms. Carrie Hull, research officer,

Research and Information Services

CONTENTS

Wednesday 8 April 2009

Green Energy and Green Economy Act, 2009, Bill 150, <i>Mr. Smitherman</i> / Loi de 2009	
sur l'énergie verte et l'économie verte, projet de loi 150, <i>M. Smitherman</i>	G-411
Ministry of Energy and Infrastructure	G-411
Hon. George Smitherman, minister	
Ontario Green Energy Act Alliance	G-416
Ms. Deborah Doncaster	
Mr. David Poch	
Mr. Mark Winfield	G-418
World Wildlife Fund of Canada.....	G-421
Mr. Keith Stewart	
StormFisher Biogas.....	G-423
Mr. Ryan Little	
Greenpeace Canada.....	G-425
Mr. Shawn-Patrick Stensil	
Skydive Toronto Inc.; Cookstown Aerodrome	G-427
Mr. Joseph Chow	
WindShare	G-429
Mr. Evan Ferrari	
Clean, Affordable Energy Alliance	G-431
Ms. Carol Chudy	
Automotive Parts Manufacturers' Association.....	G-434
Mr. Gerry Fedchun	
JustEarth	G-437
Ms. Lynn McDonald	
Ms. Adriana Mugnatto-Hamu	
Toronto Renewable Energy Co-operative	G-439
Ms. Judy Lipp	
Municipality of Grey Highlands.....	G-441
Mr. Brian Mullin	
Ms. Lorelie Spencer	
Ms. Ellen Anderson	
Student Representatives of Humber College's Sustainable Energy and Building	
Technology Program	G-444
Ms. Michelle Bird	
Mr. Michael Trebilcock	G-446

CA20N
XC16
-G23



G-22

G-22

ISSN 1180-5218

Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Tuesday 14 April 2009

Journal des débats (Hansard)

Mardi 14 avril 2009

Standing Committee on General Government

Green Energy and Green
Economy Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 sur l'énergie verte
et l'économie verte



Chair: David Oraziotti
Clerk: Trevor Day

Président : David Oraziotti
Greffier : Trevor Day

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Tuesday 14 April 2009

Mardi 14 avril 2009

The committee met at 0901 in Algoma's Water Tower Inn, Sault Ste. Marie.

GREEN ENERGY AND GREEN
ECONOMY ACT, 2009LOI DE 2009 SUR L'ÉNERGIE VERTE
ET L'ÉCONOMIE VERTE

Consideration of Bill 150, An Act to enact the Green Energy Act, 2009 and to build a green economy, to repeal the Energy Conservation Leadership Act, 2006 and the Energy Efficiency Act and to amend other statutes / Projet de loi 150, Loi édictant la Loi de 2009 sur l'énergie verte et visant à développer une économie verte, abrogeant la Loi de 2006 sur le leadership en matière de conservation de l'énergie et la Loi sur le rendement énergétique et modifiant d'autres lois.

The Chair (Mr. David Oraziotti): Good morning, everyone. We'll call the meeting to order. Welcome to the Standing Committee on General Government.

First of all, I'd like to welcome all of the members of the committee to my riding of Sault Ste. Marie. It's a pleasure to have you here, and thank you all for joining us. We appreciate the opportunity in northern Ontario to have individuals from the region be able to have access to the committee in a more convenient manner. It's tremendously appreciated, I'm sure, on their behalf as well.

Interjection.

The Chair (Mr. David Oraziotti): Just as a reminder, unlike at Queen's Park, you'll need to press the button for the microphone to be able to speak on this.

A reminder for individuals making their presentations: Just state your name for the recording purposes of Hansard, and you can begin your presentation when you like. You have 10 minutes and there's five minutes for questions from committee members.

SAULT STE. MARIE REAL ESTATE BOARD

The Chair (Mr. David Oraziotti): Good morning, and welcome, Derek.

Mr. Derek Crowell: Good morning, ladies and gentlemen. My name is Derek Crowell. I am the current past president of the Sault Ste. Marie Real Estate Board.

I want to thank you for the opportunity to speak with the Standing Committee on General Government in

regard to the Green Energy and Green Economy Act, 2009, or Bill 150.

The Sault Ste. Marie Real Estate Board represents 157 salespersons and brokers, and has a geographic trading jurisdiction over the entire Algoma district, with a land area of almost 49,000 square kilometres and about 59,000 dwellings. Those stats are from StatsCan's 2006 figures.

The Sault Ste. Marie Real Estate Board was established in 1954 to organize local realtors, promote higher industry standards, and to lobby to preserve property rights on behalf of property owners in Sault Ste. Marie and Algoma district.

Realtors, as you may be aware, are licensed to provide professional services by the Real Estate Council of Ontario and are governed by the Real Estate and Business Brokers Act, 2006.

We are acutely aware of the impact of governmental decisions, and the impact they have on real property owners in Ontario and locally here in Sault Ste. Marie and Algoma district.

Realtors across Ontario, represented by the Ontario Real Estate Association, have determined that portions of the Green Energy and Green Economy Act, 2009, specifically schedule I, subsection 2(1), will have a detrimental effect on real property owners, both provincially and locally here in Sault Ste. Marie.

Schedule I, subsection 2(1), describes implementation of mandatory home energy audits prior to the sale or lease of an interest in real property. The creation of a law making something mandatory immediately causes one to pause for thought. What is the reason for this law? Who will be affected? What will the effects be? As realtors, we have considered these questions and we know the answers will negatively impact homeowners throughout Ontario, but they will be disproportionate for homeowners here in Sault Ste. Marie and Algoma.

Statistics provided by the Canada Mortgage and Housing Corp., or CMHC, show that 61% of Ontario's dwellings were built before 1980, and 15% overall before 1945. According to CMHC, the percentage of homes in Sault Ste. Marie built before 1945 is equal to the provincial total of 15%, but for those built before 1980, the percentage rises to a staggering 78%. This means that over three quarters of the homes built here in Sault Ste. Marie were constructed well before the current building codes reflecting energy conservation and efficiency were

created. Mandatory home energy audits will cost these homeowners, above the price of the initial audit, potentially thousands in upgrades to the home or reduced value in their property based on the purchaser's review of the audit report.

Realtors also have great concern with how these mandatory home energy audits will be implemented and conducted. According to Natural Resources Canada, there are about 450 licensed energy auditors in Ontario. There is only one licensed company, CanSpec Inspection Services, with two licensed auditors for Algoma. The Sault Ste. Marie Real Estate Board had 902 residential unit sales in 2008. We wonder how these two auditors can possibly conduct audits on every sale in our region in an effective manner without delaying the sale of a home.

The government of Ontario has been describing the cost of an energy audit to be \$300. According to CanSpec Inspection Services, the actual cost is \$392.75, including current tax, for the initial audit, and \$236.25 for the follow-up audit required for any government rebates on upgrades. This does not include any cost for distance travelled by the auditor, which in our region, for the two required audits, could cost more than the Ontario home energy retrofit program's \$150 rebate.

CanSpec Inspection Services has reported a current waiting list for home energy audits in excess of four weeks. What will happen if the audits become mandatory? Many sales are negotiated and close in four weeks or less. How can it be ensured that these sales will proceed and close as negotiated?

Realtors are also concerned that should Bill 150 become law as written, many home energy auditors will be required immediately and many will be hired and inadequately trained. There is no current standard process for training, and audits have proven to be inconsistent. The current licensing of auditors is conducted by the approved providers to their own auditors. If home energy audits are made mandatory by the government of Ontario and sales of homes are directly impacted, homeowners should have the peace of mind that these auditors are being rigorously trained and closely monitored by the appropriate government agency.

The current residential building inspection system works to the benefit of buyers and sellers as part of the negotiating process. These inspections already detail many of the same elements as a home energy audit. Mandatory home energy audits could create a duplication of some services with increased costs to the public. We have seen the residential building inspection service expand in the last decade in Sault Ste. Marie as a result of the free market economy in which we live. Homebuyers and sellers, through supply and demand, have created a market in which there are 10 home inspectors to choose from, where only one existed several years ago. This service industry has grown and benefited homeowners in our market without any mandatory government policies. The education of the public is the driving force behind the increase in the supply and demand of the providers of residential building inspection services.

We must also consider who will be affected by mandatory home energy audits. In Sault Ste. Marie, as previously mentioned, we have a large supply of older homes. The owners of these homes are most often seniors or young families, including single-parent families. These homes typically offer the required amenities for these people at a reasonable cost. If the government of Ontario imposes mandatory home energy audits, many seniors and young families will see the value of their biggest asset decrease. They will be required to pay for audits and then be forced to decide whether to upgrade the home for less return than the cost to upgrade or to take a reduced sale price for their home. What this means is that these homeowners, should they choose or be required to move, will have less equity in their property. Many seniors require moving to an assisted living situation, and mandatory home energy audits will negatively impact their ability to do so.

0910

On behalf of the Sault Ste. Marie Real Estate Board, I ask the Standing Committee on General Government and specifically the Chair, Sault Ste. Marie MPP Mr. Orazietti, to take our concerns to Queen's Park for a sober second thought as to how mandatory home energy audits would negatively impact a majority of homeowners in Sault Ste. Marie and Algoma. The current economic landscape is one of caution and hesitation at best and is bleak for many. The passing of Bill 150 will negatively impact the value of the assets of the majority of homeowners, it will create an unnecessary cost to home sellers and will create a hindrance and in some cases a deterrent to sales.

The ascent of Bill 150 as currently written into Ontario law as the Green Energy and Green Economy Act, 2009, would be an irresponsible decision by the government of Ontario. The Sault Ste. Marie Real Estate Board, in co-operation with the Ontario Real Estate Association and its 45,000 members, pledges to inform homeowners about the drastic effects this law would have on their most valuable asset. Realtors will fight the implementation of mandatory home energy audits. Instead, we urge the government of Ontario to bolster incentive programs and to work in tandem with realtors to educate homeowners on the value of energy-efficient homes.

Again, thank you for the opportunity to speak today.

The Chair (Mr. David Orazietti): Thank you very much for your presentation, Derek. Mr. Yakabuski is first with questions. We have five minutes for questions.

Mr. John Yakabuski: Thank you very much, Derek, for joining us this morning here up in the Soo.

Many of the things that you've mentioned we have raised, as opposition, to this portion of the bill, particularly the issue of the cost to those who can least afford it with something like this once it's implemented. I look at this sometimes as being like an amicable separation, and all of a sudden, the two lawyers get involved and it becomes a negotiation, and suddenly these things drag on for months. I see this possibly happening in real estate

deals, where people are aware of the energy efficiency or inefficiency of a particular home, being based on its vintage and the visible signs, and all of a sudden, you bring these audits into place and suddenly these things become a huge bone of contention, and they can actually break the deals because of it.

What I'd like to know, Derek, is, because of the adversarial nature of this type of legislation that is going to be created, were you people consulted? I'm not aware that OREA was consulted. Were any of the boards or anybody consulted before the government decided to go ahead with bringing this kind of legislation as a part of this Green Energy Act?

Mr. Derek Crowell: I know the Sault Ste. Marie Real Estate Board was not consulted. I know OREA, at the provincial level, has been lobbying. Whether or not they were actually consulted: I'm not aware of that. I know they will be presenting to you; I believe it's on April 22. So maybe they can answer that question at that time.

The Chair (Mr. David Oraziotti): That's time, a minute and a half, five minutes for questions. Mr. Tabuns.

Mr. Peter Tabuns: Derek, thanks very much for the presentation. There's a lot of useful information there for us.

One thing that I'd like you to speak to is the balancing of the rights of the buyers and sellers, because I would think that as a buyer, I would want to know how a house would perform in terms of efficiency. I think in the next few years, energy costs are going to rise substantially—setting aside electricity, energy costs in general—and that it makes sense to inform buyers.

In many ways, you're saying that we should not be telling the buyers how this house will perform because in fact they may want to pay less for it. I don't see why the buyer shouldn't have full disclosure.

Mr. Derek Crowell: Again, I'll reiterate my point that we live in a free market economy and there is an element in every transaction of "buyer beware." Buyers have every right and are encouraged to make any and all investigations possible into all aspects of a home. Like I said, the current process of hiring residential building inspectors is a great example of that. The buyer wants to know if the structure of the house is sound.

Again, many of the elements that are disclosed in a residential home inspection report would also be in a mandatory home energy audit, whether it's the efficiency of the windows, the doors or the insulation in the attic; they're all elements of a visible inspection, and those are, like I said, what would be noted in a mandatory home energy audit as well.

We see the value in having energy audits, but making them mandatory has a detrimental effect.

The Chair (Mr. David Oraziotti): Thank you. Ms. Broten?

Ms. Laurel C. Broten: Thanks very much, Derek. I'll just pick up on the line of inquiry that Mr. Tabuns was examining. When a family buys their home, I would suspect you in this industry would agree that it's a big

investment for those families that are looking to buy their homes. When we buy our cars and our appliances, we have access to information about fuel efficiencies and how much that vehicle would consume.

Although you raise a number of issues which we're examining with respect to implementation, I still go back to the basic premise: Do you not agree that a home seller who has taken that very old home and done some work with respect to putting in cooling systems or various different things should benefit in the sale price of that home? Why should they not benefit from the investments they've made and have their house compare in a better light to a home that hasn't undertaken any of that work?

Mr. Derek Crowell: That's a great question, and I agree with you that when people invest in their home, they should see a return on that investment at the time of the sale. But I believe a homeowner can clearly disclose that they've made various improvements to the home without being forced to have a mandatory home energy audit and pay the price for that. Again, if a buyer chooses to have a home energy audit conducted on a home and chooses to negotiate their offer price or whether to buy or not buy the home based on the audit, that should be their choice.

The Chair (Mr. David Oraziotti): That's time.

Ms. Laurel C. Broten: Thanks.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation, Derek. That's the time we have.

0920

NORTHERN LIGHTS ENERGY SYSTEMS

The Chair (Mr. David Oraziotti): The next presentation is Northern Lights Energy Systems, Laurence McKay. Good morning, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation. There will be five minutes for questions from committee members following it. Please state your name for the recording purposes of Hansard, and you can begin when you like.

Mr. Laurence McKay: Good morning. My name is Laurence McKay and I am a licensed electrician. My company is Northern Lights Energy Systems and we are a licensed electrical contractor with the Electrical Safety Authority. We design, sell, install and maintain solar and small wind power systems throughout the Algoma district. Northern Lights also manufactures a solar tracking system called Sun-Link Solar Tracker, and it's sold across Canada through solar distributors.

As one of the pioneers in this industry, I have 22 years of experience. I'm very pleased that you've asked me to talk to this committee. I've committed my life's work to renewable energy. I commend the Ontario Liberal government under the leadership of Dalton McGuinty for taking this bold action with legislation to push forward to a green economy that fights climate change and leaves our children with a cleaner and more secure world. The act speaks strongly against the resistance to change, and

for that I am very grateful. We've experienced the resistance to change in connecting net metering PV systems as utilities, cities and other entities learn to deal with unfamiliar technologies. While the resistance is fading, the acceptance is less than universal.

My experience with photovoltaics and my knowledge of the issues that have cropped up in other jurisdictions have brought me here today to ask you to proceed with some caution. Please don't take my comments as negative; my intent is to help this act reach its stated goals.

The picture on the screen is the one and only project that we managed to sell under the standard offer contract, which pays 42 cents a kilowatt hour. You'll notice on the right side of the screen that there are no PV modules. That's because of a shading issue from the two-storey part of the building.

I'm going to give you a really quick science lesson on the impact of bad siting of a PV array. Each solar cell is a small square within a module, and it produces only a half a volt. The current or amps are controlled by the intensity of the light striking that cell. In darkness, a solar cell is a one-way device blocking current flow. Each module contains 72 cells wired in a series to bring the voltage up. If you cover one cell, you lose up to 50% of the power of the whole module. Power production is limited by the cell receiving the least amount of light. In grid-tie applications, we typically connect seven to 10 modules in series, so there are now 500 to 720 cells in series. The shadow cast by a pencil across one cell will affect the power output of all 10 modules. This is not a flaw or a bad design of a solar module, it's a fact of the technology, which very few people understand. We use a professional site survey tool that shows us exactly what might shadow the array at any time of the day throughout the year.

Everybody wants to be a solar dealer, but very few have the knowledge, the training or the specialized tools required to do the job properly. Don't expect your local electrician to automatically have this knowledge. There are a number of experienced solar dealers across Ontario that make their livings selling PV systems, but we were never in this game for a fast buck. We care about our customers, our environment and our industry. We are worried that unqualified and unethical individuals are going to spoil it for everyone. It would be a shame to have our courtrooms plugged up with clients suing their contractors for performance issues related to bad installs. I accept and welcome competition. There's room for many in this new green economy, but climate change does not allow us the time to recover from a bad start. Training will take some time, and educators such as Sault College here in Sault Ste. Marie are already stepping up to the plate.

In the meantime, I'd ask that the minister direct the OPA to require that applications for the feed-in tariff program include a documented site analysis stating the orientation, the tilt of the array and the number of hours a day that the entire array will be shade-free.

Knowledgeable staff needs to be employed by the OPA to review these data and flag the projects that should not proceed. Applications that appear to have poor site conditions should be referred back to the client, not the contractor, for a final decision. This action will help prevent poor installations that would be almost impossible to correct once they're in place.

The success of this act is hinged on public uptake of the feed-in tariff program. While the Green Energy Act does not set feed-in tariff rates, it does allow the minister to override the OPA on this issue if necessary, and I support this section of the act. I wish to point out that the draft feed-in tariff issued by the OPA on April 7 for roof-mounted PV systems is 71.3 cents a kilowatt hour for 10- to 100-kilowatt-hour output systems. The same modules, mounted on the ground, will only receive 44 cents a kilowatt hour. It costs more to mount them on the ground, so why does it pay less?

I want this committee to understand how limiting the rooftop option is to the uptake of the program. Installed, roof-mounted PV systems ranging from three to 10 kilowatts will cost roughly between \$30,000 to over \$100,000. This is a demographic of the population that is higher-income households and very successful small businesses.

Systems less than three kilowatts are not financially viable due to the monthly service connection charge. Since these systems are connected ahead of the meter but still use the same wires, the cost to the utilities is only for the administration work, and I wonder if we could consider waiving the connection fee to allow more people to participate.

Of the small pool of potential clients, there are a number of issues that can prevent a rooftop project from going ahead: Roofs that face east, west or north are not suitable; dormers, stacks and chimneys or valleys reduce the usable roof use space by more than they occupy, as with the shadow issue; shadows from neighbours' trees; power lines; power poles; other buildings; worries about voiding a roof warranty or a new home warranty; and concerns about water leaks. Lastly, large roof spaces on commercial buildings may be taken up with heating, air conditioning and make-up air units, so there may not be as much available space as you might think.

The Ontario building code should be revised to promote the use of solar energy. We see it in the subdivisions, where the roofs are really unsuitable; there are large roof spaces, but they're just full of dormers and stacks and all sorts of things. It would be nice to see that amended so that that roof space is usable.

With the vastly diminished potential there, there's a risk that the program will not be able to build the critical mass and that it'll fade away just like the standard offer program. To mitigate this risk, allowing ground-mount systems up to 100 kilowatts to receive the same feed-in tariff as roof-mounted systems will boost the activity and also make the program useful to small municipalities.

Small municipalities struggle with the costs of running water treatment plants, arenas and other facilities due to

their very small tax base. Projects in small communities would spread the technology and public awareness.

While PV installs are labour-intensive projects, there must be opportunities for Ontario manufacturers as well. The opportunity to open up a new PV manufacturing facility that is not connected to one of the big players in the market is extremely difficult with the stiff competition that exists in today's market. There is opportunity for manufacturers of racking systems. Racking systems are metalworking jobs using Canadian labour and materials. These jobs require some training but can be quickly created.

Allowing the feed-in tariff rate for systems up to 100 kilowatts of output to be the same as roof-mounted will result in more direct jobs being created and will increase the demand for steel and aluminum. I submit that the German model for the feed-in tariff was concerned with dense populations to protect farmlands and open spaces. We don't have the same concerns here in northern Ontario. I'd ask that the minister direct the OPA to use the same feed-in tariff of 71.3 cents for ground mount between 10 kilowatts and 100 kilowatts of output in rural and northern Ontario communities.

0930

I disagree with the Navigant Consulting forecast of declining installed costs submitted to the OPA. The bulk of the cost is for the modules. The cost of energy to refine silicon and produce solar glass and aluminum extrusions used in the manufacturing of a module is not going down. Economics of scale have reached near their peak, and exponential growth in demand for raw materials puts upward pressure on prices.

I suggest that ground-mounted systems should allow smaller players, like Northern Lights Energy, to grow with projects up to 100 kilowatts. These projects are large enough to attract small firms but too small for the big players who are establishing megawatt solar farms.

I'd also suggest that small projects under 10 kilowatts, currently under the standard offer contract, be given the opportunity to upgrade to the new feed-in tariff. This cost would be quite low, as there are only 240 projects across the entire province. The project owners would certainly spread the word about solar being a good investment, but excluding these people may well anger a group that we need to promote renewables.

In summary, I applaud the Ontario Liberal Green Energy and Green Economy Act. I appreciate your efforts for holding this hearing here in Sault Ste. Marie and in northern Ontario. I thank you for listening to my concerns. I urge everyone to get behind this legislation and make it work for Ontario. Thank you.

The Chair (Mr. David Oraziotti): Thank you, Mr. McKay, for your presentation. Mr. Tabuns, you're first up with questions.

Mr. Peter Tabuns: Laurence, thank you very much for the presentation. Sorry; to be official, I have to turn on the mike.

The cost differential between ground-mounted and roof-mounted solar arrays: First of all, my understanding

was that the higher price was given for the rooftop arrays because there are greater problems with installation. Not the case? Is that your experience?

Mr. Laurence McKay: There are certainly problems with roof installations. It depends on the size and the type of installation. So on a large, flat roof, say on a shopping mall or an industrial building, there may be engineering issues. There may be all sorts of issues. With a typical residential roof that's going to be flush-mounted, there are very few issues. So it's going to vary across.

Basically, we don't have an understanding of why ground mount is so much less. That's the issue. It costs more to put them on the ground. Now we have to put down concrete foundations. We're creating a structure, where a roof-mounted system is attaching to an existing structure. We've got a lot more costs involved in that installation.

Mr. Peter Tabuns: Okay. Thank you.

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: Thank you very much for your very thoughtful presentation. I'll let you know, Mr. McKay, that the OPA, the Ontario Power Authority, as you know is consulting with stakeholders, starting over the next several weeks, including large and small renewable energy suppliers, on the proposed FIT details. I would encourage you to engage in that consultation. I will certainly make sure that the presentation you've given to us today makes its way in through our process to that at the Ministry of Energy.

I just wanted to ask you one question with respect to the analysis you were talking about, in terms of the site analysis. How much would a site analysis cost to be undertaken in advance of putting in every application? I'm just trying to figure out, to follow your suggestion: How much would we be asking people to undertake as they applied?

Mr. Laurence McKay: It depends on the size of the system. A residential might be a couple of hundred dollars if it's not part of—if I'm going to do this site analysis but I'm not actually going to sell them anything, it might be a couple of hundred dollars. If it's in a commercial installation there's more work involved, so of course it would be more. It's not a big project, but it's so important because of that critical shading issue. If they're going to shade it with air conditioning units or trees or power lines, it really affects the performance. So our worry as an industry is there's a market there, and it always brings new people out of the woodwork. There's so much pressure to put it on a roof at 82 cents rather than on a ground mount, so we're really worried that they're going to pile them on the roof. They don't really care; they've sold a project and they can run away afterwards.

Also, as the core group that's been here forever, hoping that this would happen someday, we're really worried that we're going to have a lot of people doing things wrong. We're doing our best to try to prevent that from happening. We want it to be successful.

Ms. Laurel C. Broten: Thanks for coming today.

The Chair (Mr. David Oraziotti): Thank you. Mr. Ouellette.

Mr. Jerry J. Ouellette: Thank you for your presentation. Just to follow up on the site analysis, we heard from the realtors a little bit earlier on regarding the cost for a mandatory inspection. Can you visualize this as being a part of that mandatory inspection so the energy efficiency could be included, to include your proposal?

Another aspect would be, I know with a lot of camps here there would be a lot offline. Are you doing most of your business online or offline, and what are you using for storage offline if so?

Mr. Laurence McKay: Our traditional business has been a lot of off-grid homes. It's surprising how many off-grid homes we've done. These are full-time, residential, year-round, and then a lot of cottages. Cottages can mean anything up to a building worth a half of a million dollars. These are not little shacks out in the bush; these are very high-end homes that are on the water on Lake Superior and around the area. So we've done a lot of that, we've done some tourist lodges, but our core business has been off the grid. Only with the net metering were we able to get a few projects that were grid-connected. Again, these are people who are more concerned about the environment or a backup system. It's not really about saving money or making money; it's about the environment and it's about maybe energy security. That's where our beginnings in the grid connect came.

As far as storage is concerned, we're still working with lead acid batteries, whether they be sealed or vented. That's the traditional, most economical way to store energy. I know there's a lot of talk about new battery technology. It's still very expensive for stationary applications. It makes sense in electric cars and portable tools, but the old standby lead acid battery is still our main storage device.

With grid-tie applications, we won't have any batteries at all. We're using the utility as storage.

The Chair (Mr. David Oraziotti): Thank you very much. That's the time for the presentation. We appreciate you coming today.

PUC DISTRIBUTION INC.

The Chair (Mr. David Oraziotti): Our next presentation: PUC Distribution, Brian Curran, president and CEO. Good morning, Brian. How are you?

Mr. Brian Curran: Good.

The Chair (Mr. David Oraziotti): You have 10 minutes for the presentation and five minutes for questions. Again, please state your name for the purposes of recording Hansard, and you can begin when you like.

Mr. Brian Curran: My name is Brian Curran and I am president and chief executive officer for PUC Distribution Inc., which is a local distribution company or LDC for the city of Sault Ste. Marie. With me is Ella-Jean Richter, chair of the PUC Distribution board, and Larry Guerriero, chair of the PUC Inc. board.

Before I provide my remarks on the Green Energy Act and related legislative changes, I would like to describe the corporate structure of PUC Distribution. Distribution is a wholly-owned subsidiary of PUC Inc., the holding company which in turn is wholly owned by the city of Sault Ste. Marie. As required by the Electricity Act, 1998, the company is registered under the Ontario Business Corporations Act.

The company has three affiliates: PUC Telecom, which provides high-speed broadband telecommunications service over a fibre optic network in the city; PUC Energies, which was established to provide a range of energy services; and PUC Services, which provides utility management services. PUC Services has long-term contracts to manage its affiliate companies. It also provides management services to Espanola Regional Hydro and operates water and waste water treatment plants for several communities in northeastern Ontario, including those owned by the city of Sault Ste. Marie.

0940

The Green Energy Act calls for LDCs to have an important role in the promotion of renewable energy, enhancing energy efficiency and achieving higher levels of energy conservation. Are LDCs ready to fulfill this role? Projects that have been pursued by PUC affiliates should provide an indication of our readiness and ability to fill that role. The list of projects includes:

(1) an assessment of the use of bio-oil produced in local waste forestry material in northern Ontario to fuel a cogeneration plant for the Great Lakes Forestry Centre and the Ontario forestry research centre here in Sault Ste. Marie;

(2) an assessment of electricity generation potential of small hydro sites in the Algoma district;

(3) an assessment of the viability of a district heating system for the city's downtown core in conjunction with industrial cogeneration;

(4) an evaluation of the potential to use landfill gas to generate electricity and thermal energy at the city's landfill;

(5) the installation of electric thermal storage units in social housing and the evaluation of their acceptance by residents and the ability of the units to shift electric load to off-peak periods;

(6) an assessment of the cogeneration potential for a new hospital;

(7) the installation of a pressure-reducing turbine at the municipal water treatment plant to generate 330,000 kilowatt hours of electricity annually. The turbine is being installed with funding from the northern Ontario heritage fund.

The participation of local and province-wide energy conservation programs: Many other LDCs in Ontario have pursued similar initiatives. The province should be confident that LDCs such as PUC Distribution are not unprepared to do their part.

Despite the activities in which LDCs and the affiliates are engaged, the Green Energy Act will not mean business as usual. LDCs will be required to provide priority

connection access to renewable generation facilities within a time period provided by regulation. We will be required to prepare plans and submit them to the OEB on how we intend to expand and reinforce our distribution system to accommodate renewable generation facilities and for the development of a smart grid.

The connectivity requirements will have a significant impact on LDCs. How significant will depend on the demand for connections, where in a distribution system that connection will be requested, the nature of the generation facility and the time prescribed by regulation to respond to connection requests.

We will need to augment our skills sets. System protection control will be a greater priority for LDCs, and one of the challenges will be to hire individuals with those technical skills. These people are scarce now and will be in even greater demand tomorrow. As long as we face this critical skills shortage, our ability to respond to connection requests for distributed generation may be adversely affected.

It must be noted that there will be additional costs to LDCs to connect distributed generation facilities to the distribution grid. Such costs cannot and should not be borne by the LDC. We expect that an efficient process will be put in place by the OEB to ensure adequate recovery of LDC costs.

A welcome provision in the energy act is the allowance for LDCs to own and operate distributed generation facilities. Existing legislation restricts the business of LDCs to simply delivering electricity to customers. Up until now, generation projects had been pursued by LDC affiliates. Going forward, there will be no ambiguity whatsoever with the right of LDCs or their affiliates to own and operate renewable energy or cogeneration facilities.

The act calls for the development of the smart grid, which is defined as the advanced exchange system and equipment that, when utilized together, improve the flexibility, security, efficiency and safety of the integrated power system and distribution systems, particularly for the purposes of: (1) enabling the increased use of renewable energy sources in technology, including generation facilities connected to the distribution system; (2) expanding opportunities to provide demand response, price information and low control to electricity consumers; (3) accommodating the use of emerging, innovative and energy-saving technologies and system control applications; and (4) supporting other objectives that may be prescribed by regulation.

Smart meters are the foundation for the smart grid. In addition to providing time-of-use pricing to consumers, in giving them proper price signals to modify electricity consumption, smart meters will provide a two-way communication platform between individual customers and the LDCs. At the outset, there will be improved outage management and response, we will be able to identify electrical demand on individual circuits and make adjustments if we find a circuit to be heavily loaded, and we will be able to calculate what our system

losses are in the distribution system. Over time, more devices will become available to monitor the many thousands of pieces of equipment that are a part of our complex distribution systems. These devices will advise us of impending failures and allow us to take pre-emptive action to avoid an outage. There will be devices in the home and commercial facilities that will have the capability to control individual appliances.

The smart grid will also allow for better integration of small-scale distribution generation facilities, reducing the need for large, centrally located generation plants. We will also be able to respond to the needs of plug-in hydroelectric vehicles, which, if the car makers have it right, will have a significant impact on the electrical industry. The electrical distribution system of the future will be more complex but also more robust, reliable and secure.

PUC Distribution will start installing 30,000 meters next week and plans to have the installation completed by the end of December. We will be working with the IESO to register and test our system for integration with the central meter data management and repository facility. We want to give our customers the opportunity to take advantage of their smart meters to shift their electricity use as soon as possible.

PUC Distribution recognizes that there are provisions in the Energy Act and the Green Energy Act that will bring more scrutiny to LDC efforts to achieving the province's targets for energy conservation and demand management. I think that LDCs have demonstrated that they are able to pursue effective conservation projects individually or in co-operation with provincial agencies.

PUC Distribution has participated in several provincial conservation programs sponsored by the Ontario Power Authority and it has exceeded its objectives. We also have been working with local organizations and the city to encourage the adoption of specific energy conservation measures. We accept the additional scrutiny that will be brought upon us and we welcome what appears to be provided in the legislation: a greater freedom to pursue CDM measures individually or collectively in provincially sponsored programs.

With the introduction of the Green Energy Act, there are a number of changes that are required to other pieces of legislation, including the Ontario Energy Board Act. I would like to suggest to the committee members that they take this opportunity to recommend a further amendment to the OEB Act. Section 73(1) of the act contains a completely unnecessary prohibition for affiliates of municipally owned LDCs to operate water and waste water treatment and distribution systems that are owned by municipalities that do not have shares in the LDC. This arbitrary restriction should be removed at the same time that other sections of the act are being modified to conform to the Green Energy Act.

To conclude, I believe that the intent of the Green Energy Act is in keeping with the vision that LDCs have recently developed through the Electricity Distributors Association. EDA represents every LDC in the province.

Development of the vision began 18 months ago and at its core is for LDCs to have the opportunity to help build sustainable communities of the future. This is in complete alignment with the intent of the Green Energy Act.

I would like to commend the government for recognizing the important role LDCs such as PUC Distribution can play in realizing the goals of the Green Energy Act. We have seen a great deal of consultation with stakeholders such as LDCs on the development of the Green Energy Act, and we welcome continued co-operation as we move forward with the implementation phase.

Thank you for this opportunity to speak to the committee.

0950

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

Government members; Mrs. Mitchell.

Mrs. Carol Mitchell: Just a quick question: What percentage of municipalities would not have a share in the LDCs?

Mr. Brian Curran: There are only a few privately owned companies in Ontario. We're speaking about subsection 73(1)?

Mrs. Carol Mitchell: Yes.

Mr. Brian Curran: That's a situation where, if we were operating the waste water and water facilities in another municipality, they may not have a share in the LDC. If they don't, then the act prohibits us from operating those facilities. There is a way around that: simply by offering a non-voting share to the municipality. That gets around the legislation. But it's such an arbitrary thing. I don't know why it's there.

Mrs. Carol Mitchell: But would most LDCs still have municipal shareholders?

Mr. Brian Curran: Yes. The majority of our—

Mrs. Carol Mitchell: It's when there's a shared municipal waste water—that was your example.

Mr. Brian Curran: No, not shared—

Mrs. Carol Mitchell: No, you're providing that service, but they don't have shares within the LDCs, and that's where you want that addressed.

Mr. Brian Curran: That's correct.

The Chair (Mr. David Oraziotti): Mr. Yakabuski.

Mr. John Yakabuski: Thank you for joining us this morning. I have a couple of questions.

It sounds like you have some concerns about the right to connect and the cost that could be incurred with the LDC as a result of that, I guess depending upon the size of the project—but I'll let you expand on that in a moment.

Also, you talked about 30,000 smart meters being installed very soon here in the Soo. You also talked about an awful lot of feedback from the smart meters. Most of the smart meters we hear about are simply time-of-use meters that don't transmit a lot of two-way information. Are you using a different system here for the feedback? Can you tell us what your expectations will be with respect to the user, as to the charges for the smart meters?

Mr. Brian Curran: First of all, there is two-way communication with our meters, and I think just about all the meters that are being installed in the province have that feature. We are going to be getting information not only on consumption, but on voltage levels as well. We'll be able to identify tampering that can happen. We will know immediately of outages that occur. A lot of people don't realize that the LDCs will not know if, say, one customer has an outage unless that person calls in to say, "Look, we don't have power." We will know if a circuit goes out because our SCADA system will tell us that, but when it comes to individuals we won't have it. We will now have that, so we'll be able to respond much more quickly. Because we'll have voltage data, we'll have more accurate loading information on circuits, so we'll be able to determine whether or not a circuit may be more heavily loaded than it should be and we'll be able to take some of the load off of that, reduce the losses.

So those are the kinds of things that we can start off right away, because we have a communication platform. As we go further, as the smart grid starts to evolve, I would expect that there will be more devices that we can use for control within the homes, obviously with the agreement of the consumer.

As for costs, the total cost in capital is estimated at \$6.2 million. We believe that the cost to the consumer is going to be about \$3 per month going forward, but we don't have an exact amount right now.

Mr. John Yakabuski: And the right to connect?

Mr. Brian Curran: Those costs are really going to be dependent on the size of the connection, as you indicated, and the location within our grid is going to have a fairly major impact in terms of the cost. So it's really going to fluctuate wildly.

Mr. John Yakabuski: Thank you.

The Chair (Mr. David Oraziotti): Mr. Tabuns?

Mr. Peter Tabuns: Brian, thank you very much for that presentation. Could you tell us what thinking is going on in your PUC around development of renewable energy generation in the Soo?

Mr. Brian Curran: I gave some examples in the presentation about the things that we have been involved in, and we continue to work on a lot of those projects, frankly: district heating, the pulp and paper company. St. Marys Paper is putting together a cogen application. They're very close to the downtown core. There would be a great source of low-grade heat that we could take advantage of and bring district heating to the downtown core of Sault Ste. Marie.

We continue to look at electric thermal storage because we have a very high heating load in the Soo and there's a really good opportunity to take advantage of the smart meters because we can use those units to shift load during the day to the night, when the demand on the provincial grid is low and therefore the costs are low. So we're looking at that, and we've been talking with other LDCs in northeastern Ontario about having a project that would demonstrate the acceptance on a much larger scale

than we have done to this point—say, 5,000 units—to see what the economics are going to be.

Mr. Peter Tabuns: Do you have a target in mind as to how much self-generation your PUC would want to have?

Mr. Brian Curran: No, we don't. Not at this time.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): That's the time that we have. Thank you for your presentation, Brian.

Mr. David Zimmer: Chair, I'm just concerned for our guests. We're already 15 minutes behind and we're only an hour into it.

The Chair (Mr. David Oraziotti): There are a couple of cancellations from what I've been informed so that—

Mr. David Zimmer: Is it 10 minutes and five minutes for each presenter?

The Chair (Mr. David Oraziotti): It is, but we'll be fine with the time.

Just for the folks who are with us here today, there is tea and coffee at the side of the room. If you'd like to help yourselves, please go ahead.

Our next presentation is True Grid Power, Paul McKay. I'm not sure if Mr. McKay is here.

Sault Ste. Marie Innovation Centre, William Ivey?

FIVE NATIONS ENERGY INC.

The Chair (Mr. David Oraziotti): Five Nations Energy, Ed Chilton?

Mr. Ed Chilton: Good morning.

The Chair (Mr. David Oraziotti): You have 10 minutes for your presentation and about five minutes for questions. For the recording purposes of Hansard, please state your name and you can begin when you like.

Mr. Ed Chilton: Good morning, Mr. Chair and committee members. My name is Ed Chilton. I am the project coordinator for Five Nations Energy Inc. I am pleased to be in Sault Ste. Marie to provide you with Five Nations' views on Bill 150.

By way of background, Five Nations is a First Nation-owned electricity transmission company. We are licensed and regulated as a transmitter by the Ontario Energy Board. Our transmission system consists of a high-voltage line running north from Moosonee up the west coast of James Bay for approximately 270 kilometres. The transmission line was built in 2001 and connected the First Nation communities of Fort Albany, Kashechewan and Attawapiskat to the provincial transmission grid.

Prior to the construction of the Five Nations' transmission line, these three First Nation communities were electrically remote, meaning that each community supplied electricity to its homes and buildings from a diesel generator set that powered a small distribution system. Each community's diesel generators and distribution system was isolated from the electrical system in the rest of the province. By connecting to the province's electricity grid, Fort Albany, Kashechewan and Attawapiskat were able to shut down their diesel generators.

I will return to Five Nations Energy in a moment, because it ties in to our comments and recommendations on Bill 150.

1000

As you know, two of the key objectives in Bill 150 are to (1) encourage the development of new green energy projects in Ontario; and (2) ensure that First Nations in Ontario participate meaningfully in the development of these new projects. Five Nations Energy fully supports both of these objectives. However, the emphasis of Bill 150 is on achieving these objectives through incentives to develop new, renewable electricity generation projects. Transmission is not a focus of Bill 150. My comments today are focused on how we might use electricity transmission to achieve these same two objectives.

For the most part, transmission is viewed as something that facilitates bringing on new generation. Transmission is viewed as the means to an end, the end being new, renewable generation projects. In this context, the focus of the government and the Ontario Energy Board with respect to transmission has been on ensuring that there is a streamlined approvals process for new transmission lines and that electricity transmission companies have the appropriate financial incentives to build these new lines to reach new sources of renewable power.

While it is important to streamline transmission line approvals and facilitate investment in lines that connect renewable generators, my comments today focus on electricity transmission and the opportunities in northern Ontario for new transmission projects to in and of themselves further the objectives set out in Bill 150.

There are currently over 29 First Nations communities in northern Ontario that are electrically remote, meaning they are not connected to the transmission system. These 29 communities are in the same position as Fort Albany, Kashechewan and Attawapiskat before the Five Nations Energy transmission project. Connecting these 29 communities to the provincial grid, based on a model similar to that used in the Five Nations Energy project, could provide substantial economic and environmental benefits to the north and fulfill Bill 150's objectives with respect to green energy and First Nations participation in Ontario's energy sector.

The Five Nations Energy transmission project was conceived in the mid-1990s by the chiefs of Fort Albany, Kashechewan and Attawapiskat First Nations. The project was developed by the three First Nations, financed through a combination of public and private funds and ultimately brought into service in late 2001.

I would like to outline for you some of the key benefits that have come out of the Five Nations Energy transmission project, which, as I said, could be replicated elsewhere in the north.

First, the environmental benefits: The environmental benefits from the Five Nations' transmission project have been significant. The diesel generators have been shut down in all three communities, eliminating all of the carbon dioxide, air pollution and noise associated with 24-hour operation of the diesel generators. In addition,

shutting down the diesel generators means no further risk of the environmental contamination that is inherent in the large-scale transportation and handling of diesel fuel. The communities of Fort Albany, Kashechewan and Attawapiskat all suffer from historic contamination resulting from the handling and transport of diesel fuel into the communities by plane, barge or winter road. This risk has basically been eliminated in Kashechewan, Fort Albany and Attawapiskat. Connecting the 29 other remote First Nations communities to the grid and shutting down the diesel generation would provide similar benefits: reduced air emissions and a substantial reduction in contamination risk.

Second, there have been benefits to the local economy in each of the First Nations. There are a number of significant economic benefits from the First Nations' transmission project. For starters, the price of electricity has dropped for customers in these three communities. Some customers in these communities were paying rates more than four times what similar customers pay in the rest of the province. These customers still pay more than their counterparts in southern Ontario, but the difference has been substantially reduced. That is a welcome benefit in these economically disadvantaged communities.

In addition to lower electricity prices, each of the communities has taken over responsibility for operating its own distribution system, and we have established an apprenticeship training program for electrical lines workers. The result has been the creation of a few jobs in each community in skilled trades and administration of the local power corporations.

Finally, the elimination of diesel generation can create emissions credits for the First Nations as a result of shutting down the diesel generators. We have created such credits in Fort Albany, Kashechewan and Attawapiskat. Similar local economic benefits could be replicated in other First Nations communities in the north.

Third, there are benefits to the Ontario economy generally. By extending the grid 270 km north to Attawapiskat, Five Nations Energy Inc. has opened up the western James Bay to further economic development. A benefit of the Five Nations' transmission line is the ability it offers to expand community businesses, housing and infrastructure, now that a reliable power source is in place and community growth is not limited by the size of the diesel generators.

Shortly after commissioning the five nations' transmission line, we were approached by De Beers to connect their Victor diamond mine to the northernmost tip of the Five Nations' transmission line, which was completed very recently. Extending the provincial transmission grid to connect the other 29 remote First Nations communities would similarly facilitate economic development in the north, which could bring much-needed economic benefits to northern First Nations and the province as a whole.

In addition to facilitating forestry, mining and other potential economic development opportunities, extending the transmission grid to parts of the province that are

remote from the grid will enable new renewable generation to be connected to the grid. The communities of Fort Albany, Kashechewan and Attawapiskat are now turning their minds to the potential for wind and hydro power generation in the western James Bay region. This is now possible because the generation can connect to Five Nations Energy's transmission line and feed into the provincial grid. Much of Ontario's potential hydro and wind power resources are in the remote north, on First Nations' traditional lands. Extending the grid to remote First Nations communities will enable this generation to be accessed. In this scenario, transmission can lead to the development of renewable generation previously considered inaccessible.

So as you can see, there are a number of reasons for focusing our provincial resources on the development of transmission in Ontario's remote northern communities and incorporating this more explicitly into Bill 150. While Bill 150, and other government initiatives like the minister's directive to the Ontario Power Authority and the Ontario Energy Board's initiative on enabler lines, has sought to involve First Nations in Ontario's electricity sector, they are focused primarily on facilitating consultation or participation by First Nations. Bill 150 proposes to create funds for First Nations consultation and participation. Bill 150 and the regulations under Bill 150 could, in our view, go further and make explicit that connecting remote communities in the north to the provincial grid be an objective within the government's green energy plans, and that projects aimed at connecting these communities be given access to these funds for the necessary feasibility, design and preconstruction studies.

In the case of Five Nations Energy, I can tell you that the most difficult part of the project was getting that early, predevelopment money to study the feasibility of the project. Once those early studies were completed and a sound financial model for the project was established, money was easier to secure from public sources and private banks. However, because most of our northern First Nations are quite poor, viable projects are often stifled before they can start because the seed funds for early studies cannot be raised. So it is critical that transmission projects and partnerships with First Nations be allocated a portion of the Bill 150 funds.

We have a real opportunity here to open the north to new renewable power, further the green energy objectives of this province and provide real environmental and economic benefits to northern communities. These are possible with First-Nation-led transmission projects in our far north.

Thank you for your time. I'm pleased to answer any of your questions.

1010

The Acting Chair (Mrs. Linda Jeffrey): Thank you, Mr. Chilton. The first question goes to Mr. Ouellette.

Mr. Jerry J. Ouellette: Thank you, Mr Chilton, for your presentation. Certainly anything that can be done to help clean up any sites in northern communities—

whether it's midline sites through the north or site 19, which I know is a very contentious issue in a lot of aspects.

Further on the wind generation issue that you spoke of, I know that at Fort Severn there sits a turbine that potentially could generate enough electricity for the entire community. However, it's been sitting idle for years. Part of the difficulty is to make sure that the qualified individuals repair these locations and to ensure that there are proper conditions for wind power generation. Do you know if any of the communities have applied to the Ministry of Natural Resources for the funds that are available there to identify potential sites for wind generation in your communities?

Mr. Ed Chilton: There are a number of communities that have done that, some in remote areas and some in southern areas already serviced by the transmission grid. I visited the community of Fort Severn back in 1995 on another matter, and I know well about that white elephant that's been sitting there since 1980. The technology has improved substantially in the wind energy business, as you're well aware. As you well know, any large investment in anything, whether it be energy or not, requires a lot of maintenance, and I'm afraid that that unit was not maintained properly. Hence, it didn't serve the purpose it was supposed to.

Getting back to whether some of the First Nations have applied: I am not certain of that. However, they are well aware and more increasingly aware of the opportunities that generation has in their areas. Once again, as per my presentation here, it requires connection to the grid for it to be viable.

Mr. Jerry J. Ouellette: Thank you.

The Chair (Mr. David Oraziatti): Thank you. Mr. Tabuns.

Mr. Peter Tabuns: Mr. Chilton, thanks for the presentation. It was very useful and opens a number of doors and windows. In the assessment by First Nations of the potential that they see on the western side of James Bay, is there a formal process under way now, with those First Nations actually looking to consultants to quantify the potential for renewable energy generation?

Mr. Ed Chilton: What has been identified in entry into power supply by the OPA and by other studies done in the province, specifically by the Ontario Waterpower Association and others, is that the development of the Albany River has large potential. It's only recently that the leaders in the communities themselves have started to look at these opportunities.

We act as advisers because we are involved. When I say "we," I mean Five Nations Energy. We have a CEO who has joined our team and was employed by Ontario Power Generation for many years, so he's well versed in hydroelectric generation etc. We are acting as advisers to kind of lead them forward, but I think what is required here is capacity building for those communities in order for them to make the proper decisions to move forward, at what scale, the timing of such projects and that. It is very important to have these people, members and the

community leaders, understand what are the undertakings, where they fit exactly in the electricity here in this province, all the benefits that could come out of there and the impacts, naturally, that are associated with hydroelectric generation.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziatti): Ms. Broten.

Ms. Laurel C. Broten: Thank you very much. The Five Nations Energy project is such a great success story, and it's a pleasure to have you here today.

I want to focus, in the short time I have, on the access to predevelopment funds and just ask, if I can, in the case of Five Nations Energy, what were the sources of those early funds, and are there models that are being used elsewhere that can help us figure out how you provide access to early development funds but ensure at the same time that those dollars are used wisely and that they result in projects to the best percentage that they can?

Mr. Ed Chilton: When Five Nations Energy started out, there were no programs in place to be able to access. We went out, because it was an entirely different business model in the electricity sector and there were no other transmission lines actually being built in the province around that same time, and we had a lot of challenges in trying to access predevelopment dollars. We were able to provide a business plan to Aboriginal Business Canada, which I believe is funded by Industry Canada. We obtained some funds there. We were working with Indian and Northern Affairs Canada, which was a unique process where they came up with 50% of the dollars required for a feasibility study and work plan and the communities themselves actually provided 50% also.

As we moved forward, it was more like we had the tribal council working with us, and at one point Five Nations Energy owed them something in the order of \$400,000. But by this time we could see the light at the end of the tunnel, and so the council itself went out on a limb and when we did get our project financed finally, we repaid the First Nations and the tribal council etc. But accessing funds, we were also able to tap into the northern Ontario heritage fund, which historically provides loans for economic development in the different sectors here in northern Ontario. About a year or so ago, I read in the Northern Ontario Business magazine that Science North was the first business corporation to repay NOHFC for loans that they received while they were developing the centre. Five Nations Energy being regulated the same as other transmitters in this province, we looked upon acquiring this loan as specifically a loan. Whereas other businesses and corporations apply for that loan to be forgiven, we decided that we were going to pay back that loan to NOHFC to replenish that fund so others could tap into it.

The Chair (Mr. David Oraziatti): Mr. Chilton, I'm going to ask you to wrap up. You have about 30 seconds.

Mr. Ed Chilton: When I was talking earlier about developmental dollars, I see that more with NOHFC, where you are actually being able to access development

funds for whatever fund the province puts together and then, upon the rates application being approved from the Ontario Energy Board, you work to repay that fund back. That's just my suggestion, my opinion.

Ms. Laurel C. Broten: Thank you very much.

The Chair (Mr. David Oraziotti): Thank you very much, Mr. Chilton, for your presentation today, and thanks for being here.

UPPER LAKES ENVIRONMENTAL RESEARCH NETWORK

The Chair (Mr. David Oraziotti): Our next presentation is ULERN, Upper Lakes Environmental Research Network, David DeYoe, executive director.

Good morning, David. Thanks for being here today. You have 10 minutes for your presentation and five minutes for questions. Just for the purposes of the recording Hansard, state your name, and you can begin when you like.

1020

Dr. David DeYoe: Thanks, David. My name is David DeYoe. Currently, I'm the executive director of the Upper Lakes Environmental Research Network and president of Bio-Trend Systems Inc.

ULERN does support the principles and points proposed by the green energy alliance as expressed in Bill 150. As an environmental research organization, we have advocated environmental sustainability and sensibility since our inception in 1997, and we recognize the importance of the Green Energy and Green Economy Act in helping move toward that end.

ULERN has an MOU with OSEA, the Ontario Sustainable Energy Association, in providing educational services to rural communities in northern Ontario. We started this alliance about a year ago and we've now given four workshops covering energy conservation, renewable energy options and green buildings in four different rural communities in northern Ontario. In several of those communities, we have followed up with capacity building, essentially, where we go into the community, we work with the community to develop a renewable energy task team, and then we work with that team to develop a renewable energy framework strategy for the future for that community or network of communities in that region.

We've also just recently finished up our second series of adult education programs here in Sault Ste. Marie at Sault College, where we've given three courses: one on renewable energy conservation, one on energy alternatives, and one on green buildings and retrofitting. In those three courses, which total about 30 hours, what we do is, to address an earlier concern we had, we teach people how to go online and do their own energy audit. We currently use programs that come out of the US, because at this point those are quite comprehensive and do a very good, thorough job of providing a person with, essentially, the information they need to determine whether or not they need to pay for an energy audit. But

at least they get the information and they understand what's in an energy audit and how it applies to them and to their home or their small business. We also do a site analysis exercise where people learn why it's important to do a site analysis for things like geothermal earth energy or solar, so they recognize the types of issues that Laurence presented earlier.

Those are the types of things that we're working on right now in workshops and in adult education courses at the college so that people can get up to speed to better understand what it is they're dealing with, because the knowledge out there is really pretty low.

This has proved to be extremely helpful in terms of working with rural communities directly to help them develop a renewable energy strategy for their community, and it's through this process over the last couple of months that we've actually come up with some of the points that we'll be making today.

First of all, we want to keep our eye on the ball: focus on the environment and reduce CO₂ emissions and other greenhouse gas sources.

We want to focus on conservation first, plugging the leaks—and I must admit that the types of programs that are in place right now are extremely helpful and provide people with a great opportunity to recoup some of their investment in energy conservation manoeuvres.

We want to reward efficiency and reduced electricity consumption and the inefficient use of fossil fuels, and then subsidize accordingly.

I'll be giving some examples of how Europe has gone through some of the trials and tribulations in the past.

We want to develop an electricity generation strategy that promotes conservation, for every dollar conserved saves \$3 to \$5 in the cost of generation systems; co-operation—employ community power models that promote integrated, distributed systems; due diligence—support high-efficiency, high net energy, low greenhouse gas emissions systems; and finally, forethought—be aware of the gold rush situations that send everyone scurrying toward one alternative, potentially with little planning or due diligence.

Finally, technology and innovation come in many forms. Keep an open mind and recognize there are no silver bullets. In fact, there are no brass bullets, for that matter.

What we're going to look at here is energy transfer efficiency. What we're dealing with is, in Europe, over the last 25 years, they've been experts in developing and delivering renewable energy options. In that regard what they have found, and what's been found over there, is that heat-only systems, like pellet or wood, solar heat, earth energy or some combination, particularly in smaller situations, provide efficiencies up to and exceeding 90%.

When we go into cogeneration, where we actually produce electricity but also use all the heat, preferably in some distributed heating system, then we can get 60% to 80% efficiency.

However, when electricity only is used and produced by wood, and where we do not collect the heat, the

efficiency of energy use goes clear down to 10% to 25%, based on current technology.

So wood for electricity without use of heat is the most inefficient approach. Use the heat, for example, in distributed heating systems. If you use that electricity generated by wood for low-energy home, business or institutional heating, it just adds insult to injury.

Pellet stoves and furnaces require white pellets; industry can use brown. We need to be careful not to undermine a community's opportunity for local, efficient space and water heating with pellets by supporting inefficient electricity-only options far removed from the community.

A couple of examples: There are just two things I want you to look at on this graph. This is a graph on "Measuring Efficiency: Net Energy Yield." What it's measuring is essentially the energy required to produce the fuel, minus the energy that is extracted from that fuel. If we look at these different situations—ethanol from grain, biodiesel from rapeseed—compared to short-rotation forestry with willow or poplar or some other biomass, then essentially we're dealing with somewhere between seven and 10 times lower efficiency in terms of net energy yield. As we go forward, what we need to remember is to measure net energy production and its capacity.

The next one is a little bit more telling. On the left side, we have "% Energy Loss in Converting Biomass." We convert biomass to pellets, we convert it to biofuels, and we convert it to electricity. When we convert to pellets, this is the amount of energy we actually lose in that technological process. When we convert to biofuels, we lose this much energy. When we convert to electricity, we lose this much energy.

Now, this is not so much an issue except when it comes to subsidies. Right now, subsidizing per megawatt, in Canadian dollars—and this is a European example—that's the subsidy we provide to pellets. And remember, those are the most efficient, exceeding 90%, in terms of pellet furnaces and pellet stoves. Biofuels: That's the subsidy, and look at the efficiency. In electricity, that's the subsidy, and look at the efficiency.

Europe has essentially gotten way out of balance in terms of what they're willing to subsidize relative to the energy efficiency of the systems that they're actually employing. So this is essentially something we need to keep aware of: Measure net energy, and make sure our subsidies are aligned with the most efficient, effective systems.

This particular slide here is looking at conservation in a way that the Green Energy Act has not looked at it so far—at least not comprehensively. What we have here is an example of a 30-megawatt community. This might be a community like Kapuskasing or Hearst using 30 megawatts for their community. If that community takes advantage of current plug-the-leak options through energy conservation, they can conserve 10% to 30% of the electricity consumed just by using those "keep the heat inside the house" methodologies—insulation and a

variety of other types of things. However, if they use solar heat, pellet furnaces or earth energy to provide space and hot water heat inside their homes or businesses, they can conserve another 70% of electricity, because space and water heat in northern Ontario account for 60% to 80% of the actual electricity use in an all-electric home. Or people can also conserve by not using fossil fuels like natural gas or number two fuel oil, so you're either saving electricity or saving by not using fossil fuels.

1030

The community also has an option for new production through solar, wind and other renewable energy options within the community. So the total picture for the community's output can increase by not only conserving a substantial amount of energy. They use a lot less electrical energy, and by saving, what they now do is they buy themselves time to do upgrades to the grid, they buy themselves time to now market their community to other businesses that are looking for low-cost energy production within the community, and they buy themselves time to design a renewable energy strategy for new production of electricity that fits within the context of their community or regional strategy.

Compensation: Right now, we have compensation for that 20%, and we have compensation for that new production down on the right side in the red; however, we do not have compensation for space and water heating as it relates to providing incentives for use of solar heat, geothermal or pellet furnaces and installing those technologies to capture those efficiencies. So this was one particular point that I wanted to bring out to you, because I know that the Green Energy Act is very strong on energy conservation, and yet this is a point that's not really looked at as closely as it might be. And one of the reasons, I think, is that it's very difficult to determine how I would compensate somebody for saving as much or more electricity than they actually produce. One's easy to count; one is more difficult.

In closing, develop a compensation package for use of heat-only systems to displace electricity or fossil fuel use. It should be equivalent to comparable options for electricity generation. It would stimulate growth in wood pellets, solar heat and earth energy markets.

Reconsider the use of wood solely for electricity production or insist on use of heat in distributed heating systems or some other alternative within the community.

Ensure communities and local business can benefit directly from pellet production facilities which use local or regional woodsheds before the pellets are shipped elsewhere.

Finally, use net energy calculations for energy efficiency evaluation, and ensure that subsidies promote energy-efficient systems. Our actions are being observed.

That's my presentation, David.

The Chair (Mr. David Oraziotti): Thanks very much. Mr. Tabuns, you're first up.

Mr. Peter Tabuns: First of all, thanks for the presentation. That whole area of green thermal energy is

one that hasn't been touched on in the bill in the way that I would like it to be touched on. Have you given any further thought to exactly how an amendment would be shaped that would carry through and give credit for solar thermal?

Dr. David DeYoe: In terms of the details, no. Like I said, it's a difficult issue because it's not something that has been done before, but I think there are a couple of ways to do it. Earlier, Brian Curran talked about more advanced metering systems, or at least two meters, and if you had that type of thing, then you'd be able to essentially identify your baseline and then identify the amount of electricity you're using after you compensate for space and hot water heat through various types of mechanisms. Then you'd have that difference, that somebody would be able to say, "Okay, here's exactly how much electricity I've saved. I could have produced that amount of electricity but I saved it." So what does that mean from a compensation perspective?

Mr. Peter Tabuns: Are you aware of any jurisdiction that's actually taken this in hand and put together a program?

Dr. David DeYoe: No, I'm not. Actually, I didn't even become aware of it myself until I started teaching the courses, and then it jumped right out at me because I've got two wood stoves at home and I'm saving all this electricity and I can't get compensated for it.

Mr. Peter Tabuns: Okay. Thank you.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: Just picking up with respect to these areas which you suggest we need to foray into, is there one of them—I mean, would you highlight solar heating or geothermal?—that is easier for us to take this first step in? You suggest we need to tread into an area where others have not gone yet.

Dr. David DeYoe: The easiest steps and the ones that have the most impact on reduced electricity use would be solar heat, solar thermal and wood pellet furnaces or stoves. Right now in Canada we have primarily wood pellet stoves. We haven't really started importing the furnaces yet, which would work just like your oil-heat stove or your gas furnace. Essentially, the pellets come out and instead of delivering the oil, you deliver the pellets; they last for most of the winter and they're fed automatically into the pellet furnace. Those do not require substantial additional electricity to run anything, whereas the geothermal or the earth energy requires some electricity to run the heat pump; although, depending on your location, you may not be able to do solar, so geothermal is another option, or pellets.

Ms. Laurel C. Broten: Is there a possibility that the incentivizing of the pellet systems, in contrast to home heating oil—that that mechanism lies elsewhere, not in our Green Energy Act, potentially, but in other forms of incentives as you look to carbon pricing and helping folks get off fossil fuel?

Dr. David DeYoe: That's an excellent point because what it enables us to do is use different mechanisms to incent these different approaches apart from the Green

Energy Act, and carbon counting, I'm assuming, once that comes into effect. But that's an excellent way to do it.

Ms. Laurel C. Broten: Thanks very much.

The Chair (Mr. David Oraziotti): Mr. Yakabuski?

Mr. John Yakabuski: I know these furnaces have been in use in Europe for years but, just to your point, why would we import them? We should be making them here, for starters. I think it's a part of the energy use and the heating component of it that we haven't taken advantage of.

On the generation side, I'm very interested in the biomass as well, because I come from a forestry-related area, which is a challenged industry, as you know, in this day and age. Any help that they can receive would be beneficial, particularly if they can be part of the solution as well. On the generation side of it, they're paying various rates for feed-in tariffs; for biomass it's 12.2 cents versus some of the other technologies that are being paid somewhat higher and some much higher. In your opinion, do you think, given the costs involved in procurement, extraction and transportation etc., that that's a figure that is realistic with respect to the ability to generate electricity from biomass?

Dr. David DeYoe: Where that's realistic is if the biomass is coming from mill waste, where the mill waste is basically free, and the biomass is being used in that mill for heating purposes. So they produce the electricity but they also use all the heat, which makes the system efficient; okay? Once that mill waste is gone, which is pretty much close to being gone now, then we have to go out to the bush to get the fuel. It either comes from slash or mortality from fire, insects and disease. It comes from a variety of other sources.

1040

Mr. John Yakabuski: Of course, the pellets have to be manufactured.

Dr. David DeYoe: Then the pellets have to be made. And to do that, we'd probably be looking at, based on the folks who I've talked to, something closer to 17 cents a kilowatt hour as opposed to 12.2 to make it economically viable. That's really because of the transportation costs and the costs that go into civil/cultural remediation of the sites from which the wood is taken, that type of thing. That's what most people seem to feel is a reasonable level. I know Bill Ivey was going to speak to that earlier today, but he was sick.

The Chair (Mr. David Oraziotti): Thanks very much. That's the time.

Mr. John Yakabuski: Thanks very much. We appreciate your presentation.

FIRST NATIONS ENERGY ALLIANCE

The Chair (Mr. David Oraziotti): Our next presentation is First Nations Energy Alliance, Byron LeClair. Good morning, Mr. LeClair. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, and five minutes will

be left for questions. Please state your name for the purposes of the recording Hansard, and you can begin when you like.

Mr. Byron LeClair: I'm Byron LeClair. I'm the director of economic development for the Pic River First Nation.

Thank you, Mr. Chair and committee members, for the opportunity to speak to the proposed legislation this morning. Again, my name is Byron LeClair. I am from the Pic River First Nation, which is a small First Nation located beside the town of Marathon along the north shore of Lake Superior. We've been involved in the renewable energy field since 1987 as proponents to generating projects. Thus far, we have three operational sites producing 43 megawatts of renewable electricity, which transform many northern communities such as Manitouwadge by changing their electrical profile and offsetting their current reliance on coal-generating projects. We have plans to build another 130 megawatts of renewable electricity, which represents \$400 million worth of investment over the next five years. This has given us a unique perspective as an industry player, first of all as a generator, but more importantly as a First Nation community.

I'm here presenting on behalf of the First Nations Energy Alliance, which is an association of like-minded First Nations that want to enhance First Nation ownership in renewable electricity through capacity-building and shared expertise.

Generally speaking, we welcome the initiative of the Ministry of Energy and Infrastructure to review the current energy law and policy and to look at ways to promote the ongoing development of renewable energy projects in Ontario. The First Nations Energy Alliance was formed for the purpose of supporting First Nations engaged in renewable energy opportunities and to become successful proponents of energy projects. Our review of Bill 150 was focused on understanding how these changes proposed in Bill 150 could enable First Nations to participate in renewable electricity development for the future prosperity of our communities.

The focus of our presentation is on two main points. The first point: How does the GEA address coordination with the Ministry of Natural Resources and the Ministry of the Environment on a go-forward basis, and how can we build upon the GEA to further prosperous reconciliation with aboriginal communities and the future use and development of our lands and resources?

We are encouraged by the concept of a single renewable energy permit and by the establishment of the Renewable Energy Facilitation Office. At the same time, however, we have concerns about understanding how the GEA will fit within the overall intergovernmental framework of the provincial government. How will the REFO help me, as a developer, to address issues within the MNR site release policy? How will the MNR or MOE respond to requests made by the REFO? What powers will the REFO have to problem-solve? What mechanisms will be put in place by the REFO to ensure that aboriginal

proponent barriers are addressed in a timely manner and how will the REFO obtain information about barriers? Will the REFO have a budget to engage aboriginal proponents?

Bill 150 is the perfect opportunity to crystallize First Nations and Metis involvement in the ownership of renewable energy projects. Bill 150 could provide an opportunity for First Nations and Metis to be more involved—proactive and not reactive—in the evolution of renewable energy development in Ontario. First Nations are very much impacted by the policies of the Ministry of Natural Resources in connection with site release for water and wind, and are also affected by the parks regime, Lands for Life and northern growth plans. It is not clear how the REFO being housed under MEI could substantively address our concerns with MNR, which are related to site control and development within parks. The GEA proposes that the REFO would facilitate. Our sense is that this role needs to be strengthened and must tackle both provincial and federal facilitation in order to have a real impact.

To address intergovernmental coordination, we recommend the establishment of a deputy ministers' committee on renewable energy development, with technical but not political representation from First Nations and Metis communities. This committee would be distinct from any particular ministry and would have the formal involvement of First Nations and Metis. The committee could be struck immediately and would focus on MNR site release policies, environmental approvals and the REP process and appeals development.

First Nations play an important role in the stewardship of our lands. The GEA needs to take another leap forward and tackle intergovernmental coordination, while at the same time forge a new relationship with First Nations in the spirit of reconciliation. We ask that the standing committee not miss this opportunity to allow First Nations and Metis to take a central role in law and policy development in respect of our lands and sustainable use thereof.

Specific amendments that we considered: Under the Green Energy Act itself, in section 35 of the Constitution Act, the interpretative subsection 1(2) of the GEA states, "This act shall be interpreted in a manner that is consistent with section 35 of the Constitution Act, 1982 and with the duty to consult aboriginal peoples." This section should be amended to read, "and with the duty to consult and accommodate, where required, aboriginal people whose existing or asserted aboriginal or treaty rights may be affected by this act." Further, we request that this interpretative section be included in each of the acts that are proposed to be amended by the GEA for consistency and clarity.

Next is the Renewable Energy Facilitation Office. The objects of the REFO set out in section 10(2) should be amended to include the furtherance of projects on First Nations lands. We also believe that the act should provide more guidance to the REFO on what "facilitation" means.

We recommend that subsection (1) be amended to say, “to facilitate the development of renewable energy projects including, but not limited to, making recommendations to the minister regarding priorities for overcoming barriers to advance development of renewable energy projects and such other matters as may be prescribed by the regulations.”

We recommend that subsection (2) be amended to say, “To work with the proponents of renewable energy projects, other ministries and other governments to foster the development of renewable energy projects across Ontario and to assist proponents with satisfying the requirements of associated approvals processes and procedures, both provincial and federal including, but not limited to, providing proponents with information in respect to the interactions of local communities, and the undertaking of annual reviews to identify and chart the progress of the removal of barriers to the development of renewable energy projects that benefit all of Ontario.”

Under the Electricity Act, schedule B, the integrated power system plan: Amend subsection 25.30(2) of the Electricity Act, which deals with the IPSP to broaden the goals and to provide more flexibility for the matters that can be addressed by the Ontario Power Authority and reviewed by the Ontario Energy Board pursuant to the ministerial directive.

The IPSP is a planning document that is integral to the successful implementation of provincial policy objectives related to the adequacy and reliability of electricity and supply from renewable electricity sources. The government sets the policy objectives, the Ontario Power Authority drafts the plan and the OEB reviews the plan to ensure that it complies with the directives issued by the minister pursuant to section 25.30(2) and is economically prudent and cost-effective.

When Minister Smitherman issued the September 17, 2009 IPSP directive to the Ontario Power Authority, the minister asked the Ontario Power Authority to revisit the IPSP with a view of setting new targets in renewable electricity, among other things. The directive also directed the Ontario Power Authority to conduct enhanced consultation with aboriginal people and “to consider the principle of aboriginal partnership in generation and transmission.” We later heard from counsel of the Ontario Power Authority that, in their opinion, the ministerial directive as it related to aboriginal partnerships was not a matter for the OEB to have addressed in its review.

1050

For this reason, we recommend that section 25.30(2) be amended to provide more flexibility to the ministerial directives in connection with the IPSP. This can be achieved by simply adding the following section: “such other matters as may be prescribed by the regulations.” Accordingly, we request a consequential regulation to be put in place that permits the minister to issue IPSP directives related to consultation and growth plans with First Nations and Metis.

Aboriginal participation: The new, proposed section 25.32 contemplates that the minister may direct the Ontario Power Authority to establish programs to promote aboriginal participation. We recommend that section 25.32 be amended as follows: “The minister shall”—instead of “may”—“direct the Ontario Power Authority to establish measures to facilitate the ownership”—instead of “participation”—“of aboriginal peoples in the development of renewable energy generation facilities, transmission systems and distribution systems, and such measures shall include programs or funding for, or associated with, the goals relating to the aboriginal ownership in the development of such facilities or systems.”

We are supportive of the addition of section 25.32. However, without consequential amendments to the IPSP review section, there will be no public process to address the ongoing development and review of the aboriginal participation programs that the Ontario Power Authority may be directed to undertake.

With respect to the feed-in tariff program, the new proposed section 25.35 regarding ministerial directives on the FIT programs contemplates such directives that would have goals related to the participation of aboriginal peoples. We’re not comfortable with the term “participation,” as it is unclear what the intent and the goals are. Therefore, we would prefer the term “ownership” in its place.

Under the Environmental Protection Act, schedule G, we would like assurances that the appeals process under the EA will include a right to appeal on the basis of existing or asserted aboriginal rights and treaty rights. Accordingly, we request that section 142.1, grounds for appeal, be amended to include appeal rights on the basis of an existing or asserted aboriginal or treaty right.

Under the Ministry of Natural Resources: Under the existing Provincial Parks and Conservation Reserves Act, the act contemplates certain exceptions for existing hydro sites and for use by communities that are not connected to the IESO grid. We request that the exception be broadened to permit hydro sites that benefit First Nations communities. First Nations need to be able to have access to these sites for the sustainability of their communities—

The Chair (Mr. David Oraziotti): Excuse me, Mr. LeClair, I don’t know if you’re going to get through all of this, but if you can wrap up. We’re over the time.

Mr. Byron LeClair: I apologize.

The Chair (Mr. David Oraziotti): If you can conclude your presentation in 30 seconds, then we’ll have some time for questions.

Mr. Byron LeClair: I’ll move on to my summary of the presentation.

The Chair (Mr. David Oraziotti): Perfect. Thank you.

Mr. Byron LeClair: Our recommendations, again, are as follows:

The First Nation and Metis involvement must be part of the development of the renewable energy permit and appeals process. Much remains to be decided and formal-

ized under the new permitting process. The FNEA is an example of an organization that can take a lead role in this area.

The REFO must have a clear mandate to formalize a working relationship with First Nations and Metis through the creation of a First Nation advisory panel.

The objects of the REFO set out in section 10 of the Green Energy Act need to be improved so that it is clear what "facilitation" means.

To address intergovernmental coordination, we recommend the establishment of a deputy minister's committee.

We request that the interpretative section on section 35 of the Constitution be amended to include references to accommodation and to clarify that the duty is triggered in a case where an existing or asserted right may be affected.

We request that the environmental appeal process include the right to appeal on the basis of an asserted aboriginal or treaty right.

Aboriginal participation: Ownership must be the goal, not participation.

The IPSP review jurisdiction of the Ontario Energy Board, set out in section 25.30 of the Electricity Act, should also be broadened if the minister requires additional review to take place under the IPSP.

The current exception in subsection 19(2) of the parks act needs to be expanded to provide First Nations the opportunity to develop projects that will benefit First Nations and not simply to supply the First Nation.

I apologize for going over.

The Chair (Mr. David Oraziotti): Thank you very much for wrapping that up and for your presentation. Ms. Broten.

Ms. Laurel C. Broten: If I can, I want to just get some clarification from you with respect to the MNR provincial parks, the 19(2) provision with respect to benefiting First Nations. In your conclusion, in "i" you suggest that the current 19(2) is not a viable option and is not used by any First Nations. What would be the percentage of First Nations that would seek to have the benefit within the entire community? If you can just clarify the size of this issue for me; I'm just trying to figure out if it's 10 sites, 100 sites—how many communities.

Mr. Byron LeClair: I know of a partnership of communities that has applied for development rights to some 358 megawatts, based upon this restriction. If this restriction were removed, 1,000 megawatts of development potential would be realized. It's an artificial restriction.

The other point that I want to make is that, as a society, we've made a value judgment to develop one of our resources for the purposes of generating electricity. The environmental impact for developing and constructing a one-megawatt station is the same as for a 10-megawatts station and is the same for a 25-megawatts station. You're going to have a dam in the river; you're going to have civil works there; you're going to have

turbines there. Those impacts are going to be there. It makes no sense to scale down the size of the development for the purposes of meeting this type of restriction. The community should be free and clear to produce electricity for their own needs and sell, where possible, the excess electricity back into the grid.

Ms. Laurel C. Broten: Thanks very much.

The Chair (Mr. David Oraziotti): Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Mr. LeClair, for joining us this morning—a very interesting and thorough presentation.

We appreciate the fact that you've actually made a lot of suggested amendments as well as recommendations. It's sometimes difficult for us to garner out of a message what people are actually asking for.

One of the things you talked about—I think it juxtaposes a little bit with Mr. Chilton's presentation earlier—was the number of First Nations that have no connection to the grid and are currently producing power by diesel generators, for which of course all of that diesel fuel has to be transported up there many times in the winter months, because they're not even accessible other than by plane during the summer months.

Is this part of what your hope would be, that you'd be able to make some of these First Nations more self-sufficient with respect to having that power produced there? What is the expected tie-in? There would be significant grid implications, I would think—I'm not familiar with each location, but we do know that many of them are very, very remote—with respect to the expectation of that being tied in to the bigger grid.

Mr. Byron LeClair: The Ontario Power Authority, through the IPSP, is planning to extract resources from the traditional territories of many remote communities. They're going to come in and they're going to dam up major river systems, all for the purposes of supplying power to Toronto.

What we proposed at the First Nations Energy Alliance is that in the planning process, in consideration of that, there should be the opportunity to consider low-voltage lines in conjunction with the major transmission upgrades that need to be done, to do two things: First of all, extend the grid to supply those communities there, but open up development opportunities within the traditional lands of those communities. I think there's really an opportunity to do two things here at once.

My expertise is along the North Shore of Lake Superior, so I'm not necessarily familiar with a lot of the issues that are germane to remote communities. But the First Nations Energy Alliance has members that are affected by the remote factor. Many of our members come from the remote north, and we work with them to try to address the extension of the enabler lines, the extension of any opportunity to—transmission itself is a way of just delivering the product to the market. That's what we're trying to solve.

Mr. John Yakabuski: Thank you very much.

The Chair (Mr. David Oraziotti): Mr. Tabuns.

Mr. Peter Tabuns: Mr. LeClair, thank you for the presentation and your recommendations.

The amendment to the section related to the Constitution—interesting: yes, not just consultation but accommodation “where required.” As you read the existing wording in the act, it doesn’t reflect the Supreme Court judgments. Is that correct?

Mr. Byron LeClair: That’s correct.

Mr. Peter Tabuns: Okay. And the existing or asserted rights: How much does that change the field in terms of potential projects that would be affected?

Mr. Byron LeClair: It’s a legal reality. It’s part of the legal framework of Canada that the right does not have to be proved; it just simply has to be asserted in order for the duty to consult and accommodate—before those obligations are triggered. So simply putting that into the legislation defies the reality that we’re living in right now.

1100

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. That’s the time.

Our next presentation: I’m not sure if Douglas Cunningham is here. I don’t believe so.

SUSTAINABLE ENERGY RESOURCE GROUP CO-OPERATIVE INC.

The Chair (Mr. David Oraziotti): We’re going to go to the next presentation, then: SERG Co-operative, Mr. Goedhard, president and chairman.

Good morning and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five minutes for questions. Just state your name for the purposes of our recording Hansard before you begin, and you can start when you like.

Mr. Danny Goedhard: Good morning and thank you for having me here. My name is Danny Goedhard. I’m president and founding chairman of the Sustainable Energy Resource Group Co-operative Inc., or SERG Co-op Inc. for short.

First, I’d like to state that SERG Co-op is proud to hold the opportunity to speak in front of the Ontario Green Energy Act standing committee on behalf of its membership and for the people in and surrounding the communities of Schreiber and Terrace Bay who believe in community power. SERG recognizes this historical step that Ontario is taking in order to ecopolitically propel our green energy and green economic sector into a world-class status.

Schreiber and Terrace Bay community backgrounder: In 2005, Schreiber, Terrace Bay and surrounding area, holding a combined population of over 4,500, felt the first blow of the forestry sector’s downturn as the community’s major employer, an American pulp and paper company, closed its doors, leaving 600 employees out of work. The communities fell into a state of shock and went to the people looking for suggestions on how to rebuild and safeguard the municipalities against eco-

nomics instability. A community adjustment partnership program ensued, made up of committees of individuals who were ready to help turn their towns around. That year we were honoured with a visit by the Premier, who spoke in support of small towns and about how the province would look into a two-tiered energy pricing mechanism that would aid the north’s industry and forestry sector, without making any public promise.

Since then, the pulp mill was bought by a Canadian company and reopened, backed by the province through incentives. This saved our local economy from disastrous consequences, but only for a short period of time. The global economic crisis crippled the forest industry in 2008, sending the new owner of the Terrace Bay pulp mill into bankruptcy protection. Our communities are now at the mercy of the province and are in need of incentives to help us redevelop and reshape our future into a more sustainable and resilient one.

What SERG’s community wind power project is trying to accomplish: SERG Co-op Inc., a non-profit co-operative, is developing a 10-megawatt wind farm that would generate in excess of \$4 million annually. It is our hope that the project will allow the community to see at least 50% of that income stay within the community to further develop our energy distribution infrastructure and create the needed jobs that will buffer the predicted blow to our economy. Of the 50% ownership, a fund will be created to seed other community projects in desperate need of start-up funding. With the remaining 50% stake, we are looking to create a for-profit limited liability partnership between the private sector and a for-profit community power investment co-op, giving the public a local investment opportunity. The project, if successful, will give the communities in and surrounding Schreiber and Terrace Bay the ability to control their energy pricing. This will not only allow for growth in the small business sector, but also entice growth of a new renewable energy manufacturing sector, breeding diversity and resiliency back into our communities.

All these accomplishments will be achievable through the proposed Ontario Green Energy Act, Bill 150, if the following recommendations are also incorporated:

First, shallow connection costs for renewable energy generation to the grid. From a community power perspective, it is a make-or-break situation that communities have lingering over their projects’ feasibility. It is required that all deep-connection and enabler-line costs be spread over all customers as a whole in order to ensure the financial burden does not fall on local energy distributors. The following amendments to Bill 150, as stated by the Toronto Renewable Energy Co-operative, would ensure growth in the community power sector—and I have the quote below that I’ll let you guys read. SERG Co-op fully supports this revision to Bill 150.

The second point, and most vital point in our eyes, is the creation of a fund and/or support funds to existing entities for the capacity building and development funding of the community power sector. SERG, being based in a rural and financially depressed area of the province,

sees a barrier to our community wind power project which needs to be addressed in order to uphold our community commitment of a minimum 50% ownership in our project. SERG feels that in order to allow a level playing field for development, community power will need enabling funds in the following areas.

Soft loans and grants: Community power projects require early-stage funding to cover the soft cost of project development work in regard to a pre-feasibility grant structure, a capacity-building grant structure, a feasibility loan structure, and project development loan structure.

Capitalization loans: To speak briefly on that, eligible community power projects require simplified access to low-cost debt, as that enables them to retain control and ownership of projects.

Capacity-building: The community power projects require simplified access to financial, technical, social, legal and organizational templates and practices associated with the facilitation and development of locally owned, community-based renewable energy and conservation projects. There are several organizations—the Ontario Sustainable Energy Association, Green Communities Canada, the First Nations Energy Alliance, the Toronto Renewable Energy Co-operative, Farmers for Economic Opportunity, AgriEnergy Producers' Association of Ontario, the Ontario Federation of Agriculture, the Ontario Co-operative Association etc.—that have developed resources and expertise in this regard who need to be sufficiently resourced to expand their efforts.

SERG, to conclude, would like to emphasize the need for an enabling loan which would ensure the community's 50% ownership in their project. When it comes to the down payment needed by community power to proceed with the acquisition of a development loan, the community power developer will need to come up with over 20% for the down payment of such a loan. It is by request that we ask for a fund to be established that allows projects devised from a non-profit community-developed grassroots structure to be graced with an enabling loan that would alleviate the pressures of acquiring large percentages of capital if the group involved showed due diligence in acquiring a sufficient amount of community support, partnership and investment in their project. Whether the fund is established through a provincial funding mechanism, or funds specifically for enabling community power development are passed through currently established funders like the community power fund, which have strict guidelines that define community power, I leave up to the committee to decide. These funds are deemed critical for the success of our project and other community power projects throughout the province.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

Mr. Ouellette is first with questions.

1110

Mr. Jerry J. Ouellette: Thank you for your presentation.

Earlier on, we heard from Five Nations Energy about how they had received a substantial amount of funds from the NOHFC in order to move their project forward. Two things: One, have you made application through the NOHFC to see if there are funds available, in the same fashion that Five Nations Energy received funds? Secondly, if and when this project moves forward, how do you visualize that helping the forestry sector that has been so decimated in your communities?

Mr. Danny Goedhard: To the first question, we have not as of yet gone after NOHFC for funding, but we will, I'm sure. What I was talking about is, for the capital costs that it's going to take to develop the project, we are looking toward small enabling grants that would help bring up our percentage of vested interest to move the project to development stage, but upon acquiring all the necessary studies, through the feasibility study—in order to go for the loan at the bank, we'll need a certain percentage of that as a down payment for the major loan for the turbines and infrastructure to be put in place. That, specifically, is what we're looking at. We do understand that available grants are stackable to a certain percentage, but with a community of that low a population, investment would be little to put toward that.

Your second question?

Mr. Jerry J. Ouellette: Regarding the impact on the forestry sector.

Mr. Danny Goedhard: Right now what we're looking at is trying to build enough infrastructure projects to keep the people in town. These are infrastructure projects that could probably be put into place within a year or so. But as far as protecting the forestry sector, there's not much that we can do.

The Chair (Mr. David Oraziotti): Mr. Tabuns.

Mr. Peter Tabuns: Thanks very much for the presentation and the ideas that you've got in here. Have you been talking with other communities in the northwest about similar projects?

Mr. Danny Goedhard: Similar projects are being developed via wind power. In Schreiber, they have also adopted a project through private development. Private development—what it does is, over 80% of the project funds that are generated through that project will be leaving our community and benefiting people in Hamilton, or investors through that private development corporation. So what we are trying to do is stop the outflow of monies from our community and have it rotate within, to generate the necessary funding so that we don't have to always look to you guys to keep ourselves going.

In other areas like Dorion—the Dorion project and surrounding areas—there has not, that I know of, been any portion for community power where the community has a vested interest in it. So I think to the North Shore of Lake Superior we are practically alone, aside from SREC—who'll be speaking next—who has about the same mandate.

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: How important was it, and is it, for a community such as yours—in particular, perhaps

those who are in a bit younger generation—to see the game plan that you established through the community adjustment program, and the vision for some green opportunity and green jobs and economic development, reflected now in government steps that are supportive of those initiatives? Has it created a different sense of optimism in the community?

Mr. Danny Goedhard: As far as the community adjustment program went, it brought up some definite points that should be addressed to further develop our communities. It was a great chance for people of the community to get involved, but it was also basically a consulting process where it was left up to council and the mayor to push the programs forward—to what extent: I have no idea where those projects have gone. It did gain a lot of community enthusiasm, and through it SERG Co-op Inc. gained the needed support from community champions to move this project forward, and it was seen by the community as being a cornerstone in the development of a new sustainable economy for our communities.

Ms. Laurel C. Broten: Thanks very much.

The Chair (Mr. David Oraziotti): That's all the time for questions. Thank you very much for your presentation.

SUPERIOR RENEWABLE ENERGY COOPERATIVE

The Chair (Mr. David Oraziotti): The next presenter is Superior Renewable Energy Cooperative. Mr. Roberto Garcia, good morning and welcome to the standing committee. You have 10 minutes for your presentation and five minutes for questions. Just state your name for the purposes of the recording Hansard, and you can begin when you like.

Mr. Roberto Garcia: Okay. My name is Roberto Garcia. I'm an adviser and consultant to the Superior Renewable Energy Cooperative, or SREC for short. I'd like to start off by thanking you, Mr. Chair and the rest of the committee, for allowing SREC to come and present today on Bill 150. We'd also like to congratulate the provincial government on its commitment to making Ontario a world leader in sustainable energy through Bill 150, the Green Energy and Green Economy Act. In our view, if the bill passes and is accompanied by regulations and directions that fully implement its potential, any case for non-renewable fuels will steadily decline.

SREC is a renewable energy co-operative committed to developing a sustainable energy plan for Thunder Bay, a wind power co-operative for the district and a vibrant green energy economy for the northwest. As a leader of Ontario's community power sector and a founding member of the Ontario Sustainable Energy Association, SREC has had first-hand experience with the barriers and lack of incentives to community-based renewable energy investment. SREC has been working for over five years to overcome these barriers and develop local energy projects despite the lack of adequate financial incentives.

For this reason, we're particularly encouraged by three features of the bill as it's currently drafted.

The first one relates to pricing renewable power. The feed-in tariff program that the bill enables and the proposed rules we've seen come out of the OPA—we see this FIT program as a significant improvement from the previous process of a request for proposals, or RFPs, because we felt that this process effectively precluded community power groups such as ours from obtaining power purchase agreements. It's also a welcome improvement from the Renewable Energy Standard Offer Program, or RESOP, that, despite its improved pricing for certain technologies, was still not an equitable approach to renewable power procurement, in our view.

We feel that Bill 150, as it's drafted, still fails to recognize what has basically been established through empirical research: that feed-in tariffs have been found to be the most efficient and most cost-effective method for procuring renewable energy. SREC recommends that Bill 150 be amended so that the feed-in tariff mechanism is the primary mechanism for procuring power from renewable sources. Also, while SREC is encouraged that a community wind tariff of 14.4 cents for every kilowatt hour in the OPA's proposed rules for the FIT program, we suggest that a better approach would be to amend Bill 150 to list natural resource intensity as a permissible basis for price differentiation. Adjusting the kilowatt hour tariff according to the intensity of the wind would help to limit unnecessary profits at the windiest sites. It would also ease the development pressures in these areas and allow for a broader geographic distribution of wind power installations.

1120

This is particularly important to Superior Renewable Energy Cooperative because, unlike private sector wind developers, we are only interested in investing in the Thunder Bay district's wind potential. We must work with the level of resource intensity that we have in our district. SREC's economic feasibility studies into a community wind farm, assuming the 11 cents in the RESOP contract, showed that it wouldn't have been economically viable at that price. Thus, our community wind project was effectively stalled on paper. While the proposed community rate of 14.5 cents is definitely an improvement, we would prefer to simply be paid a price for our energy that would make our project reasonably profitable given our local wind regime; in other words, a tariff that's differentiated by resource intensity.

The next point that we're very encouraged by is around interconnection and related costs.

The absence of a guaranteed grid interconnection and the prohibitive costs of obtaining a grid interconnection have for a long time stifled our progress toward building a community wind power project in the Thunder Bay district. So we're very pleased to see that Bill 150 would guarantee renewable energy generators a connection to the electric grid.

SREC recommends that the costs of connecting renewable energy generation to the grid, apart from the

shallow connection costs that are in the control of, and should be borne by, the project developer, be incurred to the benefit of society as a whole. Accordingly, it is not appropriate to visit these costs on the particular generator or a particular distributor's customers.

We feel that the bill should therefore be amended to clarify that deep connection and enabler line costs—basically those that are beyond the on-site or shallow connection costs—are borne by all Ontario electricity customers, not simply those of our area's local distributor. In our case, it's Thunder Bay Hydro.

We feel that transitioning Ontario to sustainable energy systems that draw on renewable sources is something that benefits all Ontarians. So it's only fair that the costs associated with bringing new, renewable generation online should accordingly be borne collectively by all Ontario electricity customers.

The third point that we find very encouraging is the removal of barriers to community-based development, including the proposed amendments to the Co-operative Corporations Act, that specifically recognize renewable energy co-operatives like SREC.

There's work yet to be done to build the capacity of Ontario's community power sector, and we feel that Bill 150 should be amended to provide an ongoing funding mechanism to enable communities, First Nations, farmers and municipalities to develop their own successful green energy projects. We recommend that the province establish a comprehensive financing program to fund one or more entities to accelerate the development of eligible community power projects. Specific measures basically would include loans and grants for community power projects requiring early-stage funding to cover the initial project development work. These could be grants for pre-feasibility studies, grants for organizational capacity building, loans for economic feasibility studies and loans for other project development work.

What would also be valuable would be capitalization loans for eligible community power projects. Basically, these projects require simplified access to low-cost debt that would enable them to retain a majority equity stake; in other words, ownership of the project. You heard about that from the earlier presenter.

You also heard from the earlier presenter that the community power sector requires resources to build the financial, technical, social, legal and organizational templates and practices associated with the facilitation and development of locally owned, community-based renewable energy and conservation projects.

There are several organizations that we heard from earlier that have already developed these resources and expertise. We need to continue to empower them and fund them accordingly. Thank you again for this opportunity.

The Chair (Mr. David Oraziatti): Thank you very much for your presentation. Mr. Tabuns, questions?

Mr. Peter Tabuns: Thanks very much for the presentation you've provided. I certainly think de-

veloping a renewable energy co-op around Thunder Bay makes a lot of sense.

One of the things that I'd like you to clarify: Some of the best regimes in Ontario are around Lake Superior. Can you tell me why you were looking at difficulty being economically viable with the prices that have been offered in an area where I would think the wind regime would be very generous?

Mr. Roberto Garcia: I think that Superior Renewable Energy Cooperative was initially looking at developing an onshore project because for a long while, there had been a moratorium on offshore wind, so they basically excluded that possibility. A lot of the onshore land that was close to those high-speed wind regimes was not available to them because it was either private or it was municipally owned, and they didn't have access to it. So they were basically looking at sites that had lower wind speeds. Basically, the sites that were available to them didn't have wind speeds that made 11 cents worthwhile.

Mr. Peter Tabuns: The second question: Is there research being done in the area on the potential for large-scale development of community-based wind co-operatives?

Mr. Roberto Garcia: Absolutely. If you look at the European examples—this is probably the most famous example: In Copenhagen harbour there's a 20-megawatt wind farm, so 10 wind turbines, that's owned as a joint venture between the Copenhagen local utility and a co-operative of local citizens. I know of an example in Quebec where a landowner co-operative submitted a bid to Hydro-Québec for a 50-megawatt wind farm recently in their request-for-proposal process. It's definitely possible to build large-scale wind on a co-operative basis or a community basis. They don't necessarily have to be small projects if the community is comfortable with larger-scale projects.

The Chair (Mr. David Oraziatti): Thank you, that's time. Ms. Broten?

Ms. Laurel C. Broten: How did you balance a move to natural resource intensity with the goal of seeing the most green energy produced that we can, incentivizing projects that are good projects and that make sense and, as you were saying, finding the right locations and really seeing us move our generation to green energy? There would be some who argue that putting in place a natural resource intensity system pulls us in the opposite direction in some ways.

Mr. Roberto Garcia: Right. I can understand how, intuitively, you would see it that way. I think on the high wind speed end, we don't want to overcompensate projects in high wind speed areas. So for example, at the 14-cent tariff, if it's in a very high wind speed area and they may make a reasonable profit with 13 or 12 cents, then we shouldn't be overcompensating them with 14. That's not fair to the ratepayer and it means windfall profits for the developer in that area.

I think if we have a flat tariff for wind power and just say, "Okay, if you can develop at 14 cents, go ahead and develop at 14 cents," what we're going to see is a sort of

gold rush to the high wind speed areas, right? That's why we need tariffs differentiated by wind speed, so that it's reasonably profitable to do it in a high wind speed area but also reasonably profitable to do it in a medium wind speed area. Those high wind speed areas don't feel that development pressure in their area because it's the highest profit margin area. That leads to a lot of the social friction that we hear about in communities and in the media.

I think one last point—if we have a flat tariff for wind speed in general, again, it means that everyone is incentivized to go to the high wind speed areas, and that feeds into the typical criticism of wind power: “Well, what happens when the wind doesn't blow?” That's assuming that wind power is only being developed in one area—in the high wind speed area. We need to distribute and flatten out wind power development so that if the wind is not blowing in one part of the province, it is blowing in the other part of the province—maybe not as strongly, but it still is, and we're balancing out the grid that way.

The Chair (Mr. David Oraziatti): Thank you, that's time. Mr. Yakabuski?

Mr. John Yakabuski: Thank you very much, Mr. Garcia, for joining us today. I want to talk to you a little bit, because you talked about varying the costs to the customer base. You talked about Denmark, and the experience in Denmark and Germany is significantly higher electricity prices. If you take the all-in cost in Denmark, it's at least three times what we're paying, and in Germany it's more than twice what we're paying today. Even if you take the fact that people use less per home in Germany, well they don't live in the kinds of homes that we live in. My wife was born there, so I know a little bit about the average need in a home.

1130

How high do you feel that we should be willing to go? And how high can the consumer go with respect to the price of power here in Ontario? Because there seems to be no question, in spite of what the minister says: It only stands to reason that if you're generating more and more megawatts at a higher and higher price, the average price of power has to go up in the province. Where do you think the level of tolerance is for the consumer here in Ontario, and our ability to continue to operate effectively as a goods-producing economy?

Mr. Roberto Garcia: First of all, I don't know what the upper level or the tolerance is in terms of Ontario consumers, but I think it's important to recognize that we don't pay the true cost of power now, that there are a lot of social and environmental costs that are not reflected in our electricity bill but that we still pay, as taxpayers, through our health system or through environmental cleanup and things like this. One way or another we're paying for energy, and one way or another, energy prices are going to go up in the future. We're running out of oil and we're running out of natural gas and the other non-renewable fuels, so one way or another it's going to

increase. I think we have to act now. I think it's more economically prudent to act now than in the future.

Mr. John Yakabuski: My colleague has a quick question.

Mr. Jerry J. Ouellette: Just a quick question, and this is mostly geared towards the government on this bill. Previous governments did not allow offshore development because the presentations that came forward would tie up the sites with no commitment to move offshore development forward. If offshore development were to move forward, what commitments would companies have to give to make sure that they use those sites, as opposed to tying them up until higher power prices come forward?

Mr. Roberto Garcia: I honestly don't know the answer to that question. I'm sorry.

The Chair (Mr. David Oraziatti): Thank you. That's the time for your presentation.

Mr. Roberto Garcia: Thank you all.

ONTARIO SOCIETY OF PROFESSIONAL ENGINEERS

The Chair (Mr. David Oraziatti): We're going to move up a presentation from this afternoon, the Ontario Society of Professional Engineers. I believe Angela Shama, CEO, is here.

Good morning, and welcome to the standing committee. You have 10 minutes for your presentation, five minutes for questions from members. If you could just state your name for the purposes of the recording Hansard, you can begin when you like.

Ms. Angela Shama: Thank you very much. I'm Angela Shama.

The Ontario Society of Professional Engineers, which I'll refer to as OSPE in the rest of the presentation, is the voice of Ontario's 70,000 professional engineers. As a member services and advocacy body, we support the professional and economic interests of engineers in Ontario.

I'm pleased to have this opportunity to appear before the Standing Committee on General Government to make you aware of the engineers' perspective on the important initiatives proposed in the Green Energy and Green Economy Act. We support the two-pronged approach taken in this bill: namely, creating new, sustainable sources of energy and promoting energy conservation. Overall, we support the reduction of greenhouse gas emissions and want the success of Ontario's new green economy to be measured on the basis of emissions reductions across the full process chain.

In reviewing Bill 150, OSPE's energy and infrastructure task force identified four themes of particular interest to the engineering profession. These are summarized in a letter distributed to our membership today and are also available on our website. We touch on four themes important not only to engineers but to all who will be affected by the proposed legislation: anticipated economic growth, electrical distribution

challenges, governance implications and the role of the engineering profession. We will host a forum on April 28 talking about governance issues of the act specifically. Instead of spending time today on economic growth and distribution challenges topics, I encourage you to visit our website to read the letter and attend our forum on April 28.

I'll use my limited time today to highlight what we see as crucial to the success of the act; namely, the role of the engineering profession, energy costs, research and innovation, and governance implications.

The role of the engineering profession: First, professional engineers need to be involved every step of the way in considering the greening of Ontario's energy and economy. The public safety demands it. As engineers, we take our commitment to public safety seriously. Electrical generating companies have traditionally used professional engineers in the design, operation and maintenance of their facilities, thereby complying with the public safety provisions of the Professional Engineers Act. The proposed bill opens energy generation to individuals who are neither trained nor accountable under the Professional Engineers Act. OSPE requests that the bill be revised to ensure the provisions of the Professional Engineers Act apply to all green energy production and utilization projects that have the potential to affect public health and safety.

Weighing the costs and benefits: We believe that more research is needed to assess the anticipated rate of return on investment. With the implementation of the Green Energy and Green Economy Act, Minister Smitherman expects that energy costs will increase by 1% a year. We also know that hundreds of millions of dollars will need to be invested in energy infrastructure to support renewable energy generation. However, what is still unclear is the extent to which these factors will translate into economic growth. We suggest a detailed analysis is necessary to know if the 1% increase in overall energy production costs will generate more than that return in economic benefit, job creation and reduced health impacts.

Supporting research and innovation: Next, we are concerned that the bill, if enacted, may not maximize development and commercialization opportunities for Ontario-based companies. Solar and wind energy technology and materials production will likely be imported from countries where the production capability is already established. In the case of wind power, purchases of 600-megawatt capacity or more tend to cross the necessary threshold of attracting local domestic production. Quebec has been successful in this regard. Its 1,000-megawatt wind power capacity procurements, with minimum domestic content rules, have led to the establishment of wind turbine component manufacturing facilities. The Ontario government has not made this same level of commitment and is urged to do so, to facilitate the commercialization of new Ontario-created innovations.

For governance implications with regard to the Renewable Energy Facilitation Office: Energy planning in Ontario is complex, as there are many bodies with overlapping mandates. OSPE is concerned that the Green Energy and Green Economy Act and, in particular, the proposed Renewable Energy Facilitation Office, may add to this complexity. The powers invested in the proposed Renewable Energy Facilitation Office are of concern to OSPE. An independent appeals process for ratepayer groups who feel disadvantaged by a decision from the Renewable Energy Facilitation Office must be built into the bill. Asking these entities to appeal to the office that disadvantaged them in the first place is contrary to good business practice. An effective, independent appeals process, in the interest of fairness, should, we suggest, be administered by the Ontario Energy Board.

Central planning: Ontario needs a strong, centralized planning authority to oversee the province's electrical energy planning and monitoring needs. This has recently been the role of the OPA. With the Green Energy and Green Economy Act, the need for a single arm's-length, centralized grid-planning authority is even more important.

We request that the bill be revised to clearly designate the OPA with the responsibility of setting priorities for adding new green generating capacity to reflect its supply plan; clearly designate the Ontario Energy Board to administer an appeals process of decisions made by the Renewable Energy Facilitation Office; and clearly identify and provide an extended mandate to all forms of green energy production and utilization, not just electrical generation.

OSPE supports the spirit in which Bill 150 was drafted. Maximizing energy efficiency is paramount for reducing our environmental footprint, and accelerating the integration of renewable sources of energy to Ontario's electricity grid will help meet the energy demands of our growing population. However, such growth should not be at the expense of the environment, electrical distribution challenges, or good governance in the energy sector.

Ontario needs to explore renewable energy options and, in our view, must do so in the context of full life-cycle greenhouse gas reductions.

1140

Ontario needs to devise a research and innovation strategy to ensure that Ontario-based companies reap the full benefits of renewable energy development.

Ontario needs an arms-length centralized planning authority with limited interference from the ministry to oversee the electricity grid and set energy priorities. A well-supported energy board to protect consumers and prospective energy generators alike is also necessary.

Finally, the public needs assurances that suitably qualified professionals are overseeing the grid transformation process.

Thank you very much for allowing us the opportunity to present to the committee today. If there are questions,

I'll do my best to answer them. If I'm not able to do so, I'll be happy to bring answers back to you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation today. Ms. Broten, government members are up if they have questions. Mr. Zimmer?

Mr. David Zimmer: Thank you, Ms. Shama. It's nice to see you.

Ms. Angela Shama: It's nice to see you.

Mr. David Zimmer: I understand that OSPE met with Minister Smitherman's staff on October 6, 2008, and there was a conversation about the role that Ontario's engineers could play in the effective communication—

Ms. Angela Shama: That's correct.

Mr. David Zimmer:—piece as we move forward on this energy initiative. What were some of the outcomes of that discussion from OSPE's point of view?

Ms. Angela Shama: I don't believe we've moved very far down that road at this point in time, but we have also met with senior staff from the Ministry of Research and Innovation and we have been discussing with them also how to play a bigger role on behalf of government in the areas of communication, out to the general public and to engineers in general in Ontario.

I think as you know, we're well positioned to be able to do that. We do have access to all the engineers in the province and have communications vehicles available on a regular basis. We also did something similar for the Ministry of the Environment with the energy conservation brochure.

Mr. David Zimmer: It might be useful to my colleagues in this committee—could you just take a second and distinguish between OSPE, the Ontario Society of Professional Engineers, and PEO, Professional Engineers Ontario?

Ms. Angela Shama: Certainly. Thank you. That's a good question. The Ontario Society of Professional Engineers is the advocacy and member services and benefits organization for professional engineers in the province of Ontario, thereby we represent the voice of Ontario's 70,000 licensed engineers. PEO, Professional Engineers Ontario, is the licensing, regulatory body for engineers. They do the licensing and disciplining of professional engineers and they administer the Professional Engineers Act.

In 2000, the Attorney General separated the two functions. Where we used to be together, since the year 2000 we have been two stand-alone organizations, but working closely together in partnership especially on issues such as this. This becomes more of an advocacy type of function, whereas PEO is clearly interested the regulatory function.

I do understand that you have a presentation this afternoon from the local PEO chapter, which we think, of course, is great—to be able to present as many views as possible on behalf of the engineers.

The Chair (Mr. David Oraziotti): Thank you for those comments. They're very helpful. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Angela, for coming today. You touched on a couple of things and I want to bring that to the committee as well. With respect to the job cost-benefits analysis, jobs etc., you probably know that recently Rey Juan Carlos University in Madrid did a study that indicated that for every renewable energy job created in Spain, as a result of their moves, 2.2 jobs have been lost, and that each of those jobs in renewable energy has come at a cost of about a million dollars. Is that something the society would be able to comment on or have you done any cost-benefit analyses yourself?

Last week we had London Economics International release a report that would suggest that the cost of power could go up between 30% and 50% under this act. I think that's something that concerns us all. Have you got any comments on that?

Ms. Angela Shama: I don't have any detailed numbers for you, but certainly the big concern we have is in for renewable energy in particular, the technology is available outside of Canada, outside of Ontario, and we believe it's very important to provide the economic stimulus within the province. We cited the example of Quebec, where they in fact have—

Mr. John Yakabuski: To build new turbines.

Ms. Angela Shama:—demanded that there is a minimum 1,000 megawatts that must be local. I think that would go a long way toward addressing the type of concern that has been cited in places like Spain. Germany is big on production and manufacturing. We need to have it in-house. We need to ensure that our technical and other labour is employed in doing this and that the research starts to find a home here in Ontario so that we can stimulate our own economy with it.

Mr. John Yakabuski: Excellent. The other—

The Chair (Mr. David Oraziotti): Thank you. That's the time. Mr. Tabuns.

Mr. Peter Tabuns: Thank you for your presentation today. You talked about the involvement of professional engineers in the whole process of developing renewable energy infrastructure. In my mind, there's no question about that; you have to have that. But for you, what is the threshold in terms of individual projects where we would start talking about the necessity for a professional engineer to be involved?

Ms. Angela Shama: I'm not sure there's such a thing as a threshold; rather, ensuring that the public safety is protected at any level of construction, whether that be a small project or a large project. I think it's important to ensure that the oversight is done by professional engineers, that the design and the building include the oversight of professional engineers.

I don't think there's a particular threshold, if you will, that says, "Well, if you're only this big, you don't need professional engineering involvement." These are issues that affect the public safety and they should all have the involvement of professional engineers.

Mr. Peter Tabuns: Could you also speak to Mr. Yakabuski's point? I know that when cars were intro-

duced, there was a huge drop in employment in carriage-making and buggy whip manufacture. Likewise, with the introduction of personal computers, there's—

Interjection.

Mr. Peter Tabuns: John, I know that. You and I know both read about it in history books. Similarly, with the introduction of personal computers, manufacturing and typewriting dropped off radically. Professional engineers watch technological change. So would you expect that as renewable energy is introduced, other forms of energy production will go into decline?

Ms. Angela Shama: One would expect so, provided that we can resolve a number of the other issues that are problematic right now, the grid in particular: There's quite a bit of work that still needs to be done to ensure that these new sources of renewable energy can in fact feed into the electricity grid and do so in a productive manner. I don't think it's an imminent change, I think it's longer-term that we'll see those changes, and the grid is a huge issue for us to resolve.

Mr. Peter Tabuns: Okay. Thank you.

The Chair (Mr. David Oraziotti): Thank you for your presentation. That's all the time that we have.

Ms. Angela Shama: Thank you very much.

LUKE MACMICHAEL

The Chair (Mr. David Oraziotti): We're going to move on to one additional presenter prior to lunch here, Luke Macmichael; if Luke can come up.

Mr. Luke Macmichael: I have a one-page handout.

The Chair (Mr. David Oraziotti): Welcome, Luke, to the standing committee, and thanks for being here today. You have 10 minutes for your presentation and five minutes for questions from committee members. If you can just state your name for the purposes of our recording Hansard, and you can begin your presentation when you like. Just press the button on the microphone in front of you and you can go ahead.

Mr. Luke Macmichael: Hello. It's great to be here today. My name is Luke Macmichael. I'm just trying to get this computer set up here real quick.

I'm just going to give a brief introduction of who I am. I'm currently the chair of Clean North, a local environmental group. I was the Green Party candidate in the last federal election. Today, I'm just here as an individual representing myself and any others like me. Hopefully, I can make the next 10 minutes kind of a fun reminder of why we're here and the importance of this act and share some of my personal views and ideas on the direction we'd like go.

1150

It would be great if I could get my presentation to work. That's the fun thing with these computers; they're always a little bit different. Thank you very much. Hopefully I didn't waste too much time there.

The Green Energy Act: It's time to choose our direction. I am, of course, hugely in support of this act; there

are a lot of great things in it. I'm just going to do a quick review.

So what's the downside? I've heard some downsides to this act, and I guess one of the big ones is that it's too expensive. It costs too much money. Everything's going to go up. We're going to have to pay higher prices. It's not fair to those old, dirtier energy industries because they need to have jobs, too; all these other things. It might drive out companies because energy prices go up. We might lose industry to other provinces and other countries.

Those are valid points, but then we have to look at the bigger picture here. This is a monumental, changing time, and it's our chance, when you look at the upside of it. Someone has to make a stand. It's time.

What's the upside? We get more green jobs. Sure, we're going to lose, as was said, a lot of the older industries. A lot of things are going change. There's going to be a lot of upheaval, a lot of people resistant to that change, but in the end, we're going to have a better world, more green jobs, a cleaner environment.

How can you put a price on that? How can you put a price on our children having clean air to breathe, not having asthma, not having cancer? These are things that are priceless. How on earth can you say clean energy costs too much when you think of all these other factors, when you actually put them into that? It's amazing to me how anyone can use that argument.

The great part of this act is it has lots of ways of getting everybody involved, from small to big, so that we can all learn about what we need to do. We can all get involved in creating the clean, sustainable world that we all want, that everybody wants. It's just how to get there, and of course avoid this, the end of the world as you know it.

It's always kind of fun when you learn about all of it. People doubt how bad it might actually get with climate change and all the other problems we see, but in the end, we really can't overestimate how bad it could get in the next 10, 20 or 30 years if we lose our polar ice caps, if we lose all these things. We just don't know. We're doing a big biology or laboratory experiment with our world here. If we don't make the right turn now, if we don't choose the right direction now, holy moly—I'm out of power. Excuse me for one second.

That is why we're here. We're here to save our world. We're here to make the energy policies that are going to work for us, that are going to help us create that great future that we all want and do it in clean ways and avoid this.

Some of the big hurdles: We've seen in the past we've got all the politics, corporate control, the people who are rich, who like things the old way, who profit from the old way. They're the ones who make the decisions. Full cost accounting: We need to bring all of these costs in. All the current methods that we use, we need to start accounting for these costs. We know there are costs there; we know there's pollution; we know there are costs to health care, all these other things. They need to pay for it.

Why have we done this for so long? We've been doing it for the past 100 years, letting people pollute for free, letting people do these things. We need to change. I know it's a worldwide issue here, but we need to start here and we need to make the example. We need to stop these habits of the past, the whole, "I'm entitled to free energy. I'm entitled to these consumption habits that I've been accustomed to." We need to change, and it's hard, but it has to happen.

Three levels of change: individual, technological, political. We're here today to do the political one.

How much time do I have? I lost a lot of it. Just to let me know.

The Chair (Mr. David Oraziotti): You have about four minutes.

Mr. Luke Macmichael: Four more minutes. Thank you. I'll try my best.

The Chair (Mr. David Oraziotti): There are another five minutes for questions.

Mr. Luke Macmichael: Thank you.

So individual change, again going really quickly: reduce, reuse, recycle. Two new ones: rethink, resist. We have to conserve, we have to rethink our lifestyles. It doesn't mean we can't enjoy our lives. We can actually enjoy our lives a lot more. I try to be an example of that in my life and I can testify to you that life is so much better when you think about these things, when you think about making a difference. Every decision we make has an effect on everybody else around us. Consume less, live more. Enjoy your family, enjoy your friends, enjoy our nature. There's so much out there to enjoy. Plant a tree, ride a bike, all these other things.

Technological change: I'm a big techie. I work as a computer engineer, actually. I love following all the new changes. There are lots of great things out there. I'm sure you guys are all familiar with a lot of them. I'll share some of my favourites quickly: electrical cars, solar energy, building with recyclable materials that can have a whole system from beginning to end so that we don't need to keep on ripping up our landscape to get more of them. We can reuse; we can recycle. We can recycle the energy.

In the end, all of our energy comes from the sun. The best way, in my opinion, to get it is through various solars. There are lots of different ways. My personal favourite is nanosolar, where they print solar cells by the football-field length. Again, it's still very new technology but lots of potential there for doing it cheaply, for actually making this cheaper than coal. If this works out, it won't even be worth digging the coal up out of the ground because it will be too expensive compared to how cheap we can get this. You're talking a penny a kilowatt in the future. You can build these things by the football field with robots or with whatever, just streamline the process, make the whole process simple and easy to follow. There's no limit to how much energy we can get this way. Sure, it's expensive off the start; sure, it's hard off the start but that's what this process is all about. It's getting there so we can have this energy in a clean way.

Some other great ones: solar towers. Just mirrors: That's all it is, mirrors focusing the sunlight on to things that can boil water, boil steam, old-fashioned steam turbines. So many great ways to do it. Energy from algae: We can grow algae and use that for biofuels. Again, carbon neutral. It takes energy in, puts energy out. So that's the second kind: technological. This is to support that technology.

Political change: This is what we're all about here, getting people into power who are going to change the system to favour the environment over the short-term thinking of short-term profit or short-term cost. We need to think long term. We need to support these changes. Pollution taxes, full-cost accounting. Please, we need to make this a focus in our lives. We need to be more responsible for these decisions that we make. We need to support these changes.

So how can we succeed? That's all said and done. That was fast.

How can we succeed? One step at a time, living happier, sustainable lives, voluntary simplicity. We can set the example for the future and convert the world one person at a time. Again, this is a presentation I've done for lots of other things. Learn more, get involved. This is what this process is. It's getting involved, spreading the word, spreading the joy. There are so many great things about this process and we can spread it to everybody.

That's it. Thank you for your time. It was great to be here. Questions, comments?

The Chair (Mr. David Oraziotti): Thanks, Luke, for your presentation. Mr. Ouellette has questions first.

Mr. Jerry J. Ouellette: Thank you for your presentation. As we move forward as a society, we all make decisions and choices. We see BlackBerry's being utilized as we're sitting here. The batteries that are used in them have to find an equal opposite reaction that's going to be taken care of. We all make choices as a society, when we're deciding what's in our best interests—whether it's the seniors I'm going to see tonight who are finding it difficult to live in their own homes on the fixed income they have—as we move forward, and where the cost balance is. As a whole, society has to make those decisions in the best interests overall. Certainly, if we'd made earlier choices in life as to how and which technologies we'd move forward, we might be in a different situation. However, when I listened to the presentation by Tim Ball, from BC, on certain aspects, which I would hope you would know, we certainly hear different perspectives come forward.

1200

A question I would have would be, what would your positions be on, for example, the utilization of nuclear, as 200 nuclear plants worldwide come online, and low-flow generation?

Mr. Luke Macmichael: I used to be a massive supporter of nuclear, growing up. In school, I always wanted to be a nuclear engineer. But the more I learned about the possible negative effects—I know it may be a chance, but the chances of them blowing up, or the chances of having

problems, or the chances of cancer caused from the mining or from the other things—and while I know a lot of it is unproven, still, is that chance really worth it when we've got all these other options like solar, or wind, to some extent, geothermal, tide energy, when we've got these other things that don't have those chances of going critically wrong? When you're talking nuclear explosions, you really can't put a factor on that. If they had to actually pay the insurance for those costs, and they weren't insured by the government, they would never go forward. There's no way anyone would ever insure a multi-trillion dollar disaster like that. You just can't.

In my mind, you could spend \$50 billion putting solar panels on every roof. Streamline that. It would be just as cheap as, if not multi-multi-multi cheaper than, doing this the nuclear power way. There are plenty of other, better ways out there to do this than nuclear.

Mr. Jerry J. Ouellette: Any comments on low-flow generation?

Mr. Luke Macmichael: Low-flow generation, yes. There are definitely some good ways. I guess the key is making sure that the area is okay and that the environmental effects of any kind of generation, whether it's low-flow or hydro or anything, are balanced, that you do it in an environmentally sustainable way and that it's going to last.

That's really the key with any kind of energy: You've got to think of all of the costs, all of the potentials, and weigh and balance them all. When you measure all of those costs in there, it becomes pretty clear where the options really should be, especially when you think long-term.

The Chair (Mr. David Oraziotti): Thanks. Mr. Tabuns.

Mr. Peter Tabuns: Luke, I just wanted to thank you for the presentation. I actually don't have any questions. You were pretty thorough.

Mr. Luke Macmichael: Thank you. I had one more point to make, actually, that I missed in the presentation, just some brief suggestions. I'm sorry—just two seconds.

The Chair (Mr. David Oraziotti): We're going to do the—

Mr. Luke Macmichael: Do the questions first. Okay; thank you. Go ahead.

The Chair (Mr. David Oraziotti): Mr. Zimmer.

Mr. David Zimmer: So you're a very enthusiastic guy, and very optimistic and confident in everybody to follow along with your lead and the lead expressed in the wording of the act. How would you deal with the nay-sayers or those who are recalcitrant or don't get the message? How would you bring them around?

Mr. Luke Macmichael: That's always a tough issue, because no matter what you say, people kind of believe what they want to believe, and they have their beliefs. It's really hard to get through to them. In the end, you really just have to get them to think, get them to learn. That's what happened to me. I used to be one of those people. I've only really been in this for maybe the last three years. It was kind of the movie *An Inconvenient*

Truth that really did it for me. It just opened my eyes. There's so much out there. The more you learn, the more you realize we need to change.

Put a dome on your city and think, "Where is this pollution going?" Because we live in a dome; our world is a dome. It's not going anywhere. It's not disappearing; it's there. Some of it gets put back into the trees. But in a dome, how are you going to get your energy? You're not going to get it from a dirty coal plant. You're not going to get it from even a nuclear plant, if you have a dome and you don't have anywhere to put that radioactive waste. You're going to get it from the sun. You're going to get it from clean energy. It's a simple question.

But in the end, yes, you really have to just get people to open their eyes and think about it, think about those long-term costs.

The Chair (Mr. David Oraziotti): Thank you. That's the time that we have for questions.

Mr. Luke Macmichael: Okay. Do you mind if I just have two minutes? One minute? Thirty seconds?

The Chair (Mr. David Oraziotti): One minute.

Mr. Luke Macmichael: Okay, thanks. These were part of the presentation that—

The Chair (Mr. David Oraziotti): We normally don't come back to presentation material once questions begin—

Mr. Luke Macmichael: I apologize.

The Chair (Mr. David Oraziotti): —but if you want to take a minute, I think the committee will indulge you, and you can wrap up.

Mr. John Yakabuski: Lunch isn't ready yet.

Mr. Luke Macmichael: I apologize.

There are just two points that I missed, as far as suggestions for making it better. The one that I really like is the stronger tiered pricing, where you have much, much more expensive electricity as you use a lot more. People who have bigger, 5,000-square-foot houses that they may or may not need—I mean, those are the ones who really should be paying the higher costs, whereas the people who are lower- and middle-income and who can't afford the increases would use their basic amount of electricity. We've got to think about those types of people, or the people who can afford more. That really encourages more conservation, because the higher tiers cost a lot more, so you save a lot more off the start by conserving. Tiered pricing, I think, is a really key aspect.

The other part is just true cost accounting, making more of these dirty industries pay for these switches to the clean industries. That's always a political nightmare, I think, to try to get that through, because of these old things, but it really needs to be the focus in making this change.

Those are the last two suggestions and points I wanted to make.

The Chair (Mr. David Oraziotti): Thank you, Luke, for your presentation and for being here today.

Mr. Luke Macmichael: Thank you very much.

The Chair (Mr. David Oraziotti): Committee is in recess until 1:15 p.m.

The committee recessed from 1205 to 1312.

The Chair (Mr. David Oraziotti): We'll call the committee back to order.

PAUL DAY

The Chair (Mr. David Oraziotti): Good afternoon, Mr. Day, and welcome to the Standing Committee on General Government. Thank you as well for agreeing to be here a bit earlier. We appreciate that. You have 10 minutes for your presentation, five minutes for questions from members of the committee. Please state your name for the recording purposes of Hansard and you can begin your presentation when you like.

Mr. Paul Day: Thank you, Mr. Chair. Clerk, honourable members, I appreciate the opportunity to share our particular project from Mapleton. You are facing a real daunting task to face this situation. The more I see in the press and from level-headed scientists and leadership, I see a sense of panic and urgency really taking place, and that scares me a little bit because you can't really make good decisions in a panic situation. I think it's my responsibility, by the way, to share this particular project with you folks. Hopefully it can be of some help. I'm going to move right into the presentation right now.

If you'll excuse me, I'm just going to stand and move around a little bit here. Can you gentlemen see it okay there?

It pays to plant trees and turbines in the right places. I'm going to share the Trees for Mapleton project. It's really a project helping farmers adapt to climate change. I noticed in the paper here, I think it referred to the cities that are actually in competition in terms of looking at green projects and that type of thing. We're really looking at the rural area here and we think that it's very important. This is not just a tricky little title here; from our standpoint, it really pays to do this kind of stuff. It pays to be really good environmentally.

We live on a farm our ancestors cut out of the bush 160 years ago. On that farm, actually, we have an option for a wind turbine. We took it out four years ago and have second thoughts today. Maybe like a lot of folks, the first flush of wind energy appeared very good, but when we really got into a lot of details, it lost some of its lustre in favour of what our real resource is in our particular area, and that's food production.

I taught for a few years; I've volunteered in several environmental groups for the past 12. I feel strongly that we must work with natural systems to face climate change.

A little backgrounder here: The world loses a Scotland every year. That's a big chunk of food production land the size of Scotland. Ontario contains 50% of class 1 land. We've lost a million acres of that class 1 land since 1996. It disappears very quickly.

The cash receipts from agriculture and food production are \$8.9 billion, according to the 2006 census. The multiplier effect there, in terms of the impact on the whole economy: \$29 billion. Should we really be looking

after this resource? I think we should. Are we concerned? Yes, we are.

In Mapleton, we have a plan. Basically, it's entitled Trees for Mapleton. It stands on the shoulders of several projects that have gone before this, back about eight or nine years, in which we have strategically planted trees on farmland, helping farmers adapt to climate change—a green infrastructure for durable food production and a healthy community. What we're really saying here, and if we just watch this, folks: It pays to plant a lot of trees on the farm. We're not just talking jargon here. We know how much it pays, we know how many trees, and we know what places on the farm to do this.

Gone with the wind: The average farm loses \$15,000 to \$20,000 a year—that's in crop yields, increased energy—without proper tree protection. Mapleton township, which I'm in, loses \$3 million a year. In the townships across southwestern Ontario, extrapolated from that, it's \$150 million that's blown away in the wind every year. Why? No trees. Benefits to Mapleton: The annual increase in yield is \$1.5 million; energy savings, \$850,000; the cost for road maintenance—there you have it. The annual benefit to our township alone is \$3.1 million if trees are planted strategically.

Nobody works alone. This is our partnership, folks. This is the way it takes place; this is the way it has taken place. We've got great support there. You can see the various partners; I don't have to mention them here. A lot of them you'll recognize. The landowner is the significant one. Ninety per cent of our land is owned privately.

Why did we zero in on this? Because this is the Grand watershed, a great watershed. Tree gradient—tree coverage from dark green to light—means the density of forest cover. You can see the bone-white area in Mapleton. That's why we zeroed in on this township to start with. This is a demonstration.

Mapleton, in the early 1800s, was a tremendous upland wood. This is the Queen's Bush that swept from our area up to Goderich—hardwood forests. This is what it looked like in 1860. My ancestors, like everybody else, had sharp axes. This was progress; they thought they were doing the best thing. They went too far.

This is the current tree cover. It's approximately 10%, the bones of what was left of that forest—but tremendous food production. Some portions have 3.4% tree cover. That's a wind farm project that is tentatively going ahead. What do you see here, folks? Is this appealing? This is a predominant southwestern Ontario landscape. This is an area that the wind farm folks are looking at. To a lot of farmers and you folks, this is class 1 land. You start in there with a big rig, and boy, that's no trees, no obstructions, no nothing. But do you know what they lost last year in value? They lost \$80 to \$100 an acre because there wasn't tree protection for the crops.

1320

This isn't baloney; I've got the example right on the ground on my property, and we proved it. It wasn't great science; it was, "Hey, the grain box is three quarters filled at this particular point. When you're close to the

windbreak, it's full." It's not rocket science to see this stuff.

This is what I'm talking about. Here's my windbreak, 20 years old. The corn right up—I took a shot of that. I rent this, by the way. A Mennonite fellow, a young fellow, observed what was happening here. As he was next to the windbreak, he was getting up to 8% to 10% higher yield. Heat units last year were the significant thing.

Tree cover: in a healthy environment—30%; Wellington county—17%; Mapleton—10%; and some areas are 3% to 4%. This is similar across southwestern Ontario in the great farm belt. It's down to 3.4%. What has happened? Well, here's what we call progress: clear-cutting, drainage and intensive agriculture. Do you know what step was missed here when we cleared the fence bottoms and actually had support for that? We forgot to put appropriate windbreaks around 100-acre fields. We missed a step 50 years ago and we've got to do a lot of catching up.

Now, the latest industrial foray into this particular area is the wind project. This is the southern Ontario region, by the way, and our particular project—you've invested in that. This government has invested in our project through Trillium, through Trees Ontario, and they've helped us out here, but under the understanding that this would be a demo for across southwestern Ontario.

Gord Miller claims there's no support for governments facing climate change. We say trees are the answer. Trees moderate both winter and summer and cut the wind factor. Do you realize that wind dries plants 2.5 times faster than the sun? If you look at beans, corn and that, as the wind sweeps across without any protection, it's sucking the moisture out of them, sandblasting them and basically reducing the productivity.

Here's the Mapleton strategy: Wrap every 100 acres with a windscreen; buffer the waterways for clean water downstream; wrap forest fragments that are left; shelterbelts around farmsteads that will drop your energy requirements by up to 25%—very critical with industrialized farms with poultry, beef and all those types of things—link forest fragments for a healthy environment; and create living snow fences along the roads. We have the data from the States that says if you put \$1 in, your return for that dollar is about a \$17 saving in terms of maintenance on the road, in terms of salt usage—and we haven't even talked about lives at this point, in terms of saving lives from turbulence and that kind of stuff.

The Chair (Mr. David Orazietti): Mr. Day, you have about a minute left.

Mr. Paul Day: Okay: five million trees—this is the vision, folks; expected outcomes—I've been over most of them right there; living snow fence benefits—here's a bit of a problem, barriers to planning uptake. We've mostly overcome these in our area, but we've got another one, the industrial wind system. Why do we have that, in terms of industrial wind systems? Because in the contracts they generally want you to curtail or actually sterilize an area in terms of planting trees. They don't want high trees and they don't want them close to the—

and that goes in the contract. What I'm suggesting is it sort of has provided a barrier to what we're doing here: trees in the right places to sustain our food production; wind turbines in the right places to provide clean energy. We have to—there's just a little shot in terms of energy use.

Recommendations: If I can get into that, Trevor—is Trevor there? Nope, he's not there. I've got a package to hand out. Did anybody get my e-mail? I sent e-mails to all of you folks.

The Chair (Mr. David Orazietti): He said that you had asked him to hand that out at the end of your presentation.

Mr. Paul Day: Right. I just thought I'd do it right now, if you don't mind, as we look at the recommendations.

The Chair (Mr. David Orazietti): Do you know what? If you can wrap up in 30 seconds, we'll have five minutes for questions and perhaps in some of your responses you might—

Mr. Paul Day: That'll be good. So my recommendations are: Set priorities for the landscape. Class 1 land is best reserved for food, sustained by appropriate tree cover, and if we introduce the wind turbines and shoe-horn them into intensive agricultural areas, there's a tendency to marginalize the tree planting. We need a more vigorous environmental assessment that takes into account tree cover to pollinate our habitat.

I just want you, when you get the package, to consider a vision, say, 20 years down the way, and payments to landowners for environmental goods and services. That's not a new topic for you. We've received it. The community is already doing it for us. They've embraced this particular project. That's the sustainable landscape we'd like to see, and it doesn't even take into consideration the carbon uptake that we can do with this type of project across southwestern Ontario. Thanks for your time, Mr. Chairman.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Mr. Tabuns, you're up first.

Mr. Peter Tabuns: Thank you for taking the time to pull all that together and to present to us today. When you talk about the money loss, you're talking about reduced crop yields. You're not talking about loss of soil?

Mr. Paul Day: I'll tell you, we've lucked out in our area and in some areas; our soil is heavier. We do lose some soil in our area, but it's a heavier soil. In some areas of southwestern Ontario, they're losing it through erosion, that's for sure. But what I'm talking about here is the wind impacting on what's above the ground, the yield, but also the drop in costs of energy for a farmhouse, the barns, all that kind of stuff. So when you pack all that together, there's a real saving for the area.

Mr. Peter Tabuns: Okay.

Mr. Paul Day: Does that do it?

Mr. Peter Tabuns: It does. Thanks, Mr. Day.

The Chair (Mr. David Orazietti): Thank you very much. Ms. Broten.

Ms. Laurel C. Broten: I just want to thank Mr. Day for his presentation and then my colleague Carol Mitchell has a question.

You're giving us good advice, Mr. Day, as we move forward on initiatives that are all in the direction of our climate change action plan. We have made significant steps forward with respect to tree planting, investing in tree planting and being part of the UN challenge to plant trees. We're making a huge commitment to get off coal. We need to replace that renewable energy. You're telling us, "Don't do what government essentially does in many instances and silo our mentalities and not recognize the interface between the various strategies." So I appreciate your perspective. Thank you.

Mr. Paul Day: I think there's a place for all these things.

The Chair (Mr. David Oraziotti): Ms. Mitchell.

Mrs. Carol Mitchell: Thank you very much for your presentation. I represent the two counties that are the breadbasket of the province. Our cover is probably 3% and 30% in some townships. My farmers have worked very hard at developing environmental farm plans, but planting trees, they tell me, is something that is maybe third or fourth on the list because of the effect that it has on their agricultural production. This is something that not only our government has been pushing for, tree coverage. We understand it is part of climate change, but what more can we do as a government to encourage our agricultural community to plant more trees?

Mr. Paul Day: We face two things in terms of barriers. The farmers haven't picked up on the value that we have suggested here in terms of the value of trees on the farm. They still face the old thing that my ancestors did: The tree was the enemy. The tree is in the way. We've got to clear it and plant our stuff. We didn't realize the positive effects it was having.

Number one, we've got to get the information out to farmers properly, and it isn't in glossy BMPs and that kind of stuff. I think the province spends millions, and we have studies to indicate that the transfer of technical information to farmers is face to face. It's a face-to-face situation. That's why we've hired—the only township in Ontario—a farm forester to go farm to farm, hold meetings, drive and share it wherever you are and deliver the information, and it's working.

1330

Mrs. Carol Mitchell: Do you feel that the cap-and-trade will be something that in the agricultural community, once they hear more about it, this will encourage the planting of trees?

Mr. Paul Day: I would hope so. If we're looking at five million trees being planted in our township and extrapolate that to the great millions that we can do across southwestern Ontario, it's another great advantage to the farming community.

The Chair (Mr. David Oraziotti): Thanks for that. That's the time for questions. Mr. Ouellette.

Mr. Jerry J. Ouellette: Thank you for your presentation. A couple of quick things you can add to that,

though. For example, most people don't realize that the average stream requires a minimum of 36% coverage in order to maintain cool or cold-water status. Most of the streams in the area that you're talking about are less than 12%. The other aspects are that the first 15 years of a tree's life are the most carbon-converting years. Those are when they're growing like kids and fighting like everything else to achieve height, and that'll make a big difference for you. When you're talking about utilization for land for environmental purposes, there's a delta project in Manitoba which I would hope you're aware of. You can use that for your file to move that forward. It's an area where it's working very effectively. The last two things are: 80% of all moisture loss out of a tree is through transpiration, which puts moisture into the atmosphere, which is very beneficial as well.

The question is, though, that currently they're looking at utilizing all biomass residuals, which means any left-over parts of a tree that are left in the forest on crown land will be removed to be allowed to be used for cogen purposes. Once you remove that, all the stuff that breaks down to provide the fertilizer for the future of the forest in crown areas will be removed from the forest. Do you have any comments on what the potential impact of the total removal of biomass from the forest would be?

Mr. Paul Day: I think you really have to have a balance, and you've brought up an excellent point. We're not faced with that great problem in our small fragments of forest cover that we have there, but that's the regeneration aspect, and basically we need that type of thing left there to a great extent to fertilize and keep things going. It's a great point that you make in terms of the first few years, though, of growing. If I could just extend it for a second, some of the best—when you plant trees in southwestern Ontario, they probably double that type of growth in fertile lands that they would, say, if you've putting them off on a marginal basis, so there's a great uptake in terms of carbon and CO₂ there.

I must say this, folks. We have a bee yard at home. I've lost 30% to 40% of my bees in the last two or three years. These are pollinators, as you well know. Einstein said that if we lose the pollinator, the honey bee, we've got four years to live, because 30%, 40% of our food is based on that. Part of our whole project here is to put pollinator species along the windbreaks so they can pollinate crops properly. So it's a naturalization thing that we're dealing with there too. So let's really be aware of the naturalization aspect of our food production land. We're losing it. Let's keep it and really sustain it.

The Chair (Mr. David Oraziotti): Thank you very much, Mr. Day, for your presentation. That's all the time we have for questions. We appreciate your coming in today.

PROFESSIONAL ENGINEERS ONTARIO—
ALGOMA CHAPTER

The Chair (Mr. David Oraziotti): Our next presentation is the Professional Engineers Ontario—Algoma

Chapter. Jeanette Biemann, good afternoon and welcome. You have 10 minutes for your presentation and five minutes for questions from members of the committee. Just state your name for the purposes of the recording Hansard and you can begin your presentation when you like. Just press the button to activate the microphone.

Ms. Jeanette Biemann: Great. Good afternoon. I'd like to let you know my name is Jeanette Biemann. I'm a professional engineer in the Algoma chapter and I'm here today on behalf of the Professional Engineers Ontario—Algoma Chapter. I'm going to start by explaining why we feel we're well suited to provide valuable feedback on the Green Energy Act and then I'll get into the points outlined in the handout paper I believe you all have in front of you today.

Professional Engineers of Ontario licenses about 70,000 engineers in the province and authorizes businesses to provide engineering services to the public. Under the Professional Engineers Act, its statutory mandate is to serve and protect the public interest where engineering matters are concerned.

The Green Energy Act has the potential to transform Ontario's energy industry and create a greener future. The Algoma chapter of PEO has about 250 members, many of whom have worked on various aspects of power generation and energy conservation. Sault Ste. Marie in particular and its surrounding areas have seen significant growth in the green energy sector over the past few years, and many of our professional engineers have been vital to the development of these projects. Considering their recent experiences and technical backgrounds, we felt that the input they have provided on the Green Energy Act was worth sharing with you today.

I'm going to go through the 10 discussion points with you now.

(1) Energy as a major industry: It's refreshing to see that energy is being recognized as a major industry. We'd like to make sure that there's a made-in-Ontario solution component to this aspect. We believe it has a strong potential for job creation. We'd like to see Ontario locate sufficient power within Ontario to support its own needs and locate the associated workforce in Ontario.

As a side note, we'd like to comment that in the early 1900s, Henry Ford had this vision when he put the steel, automobile and power generation all on the same site. So it's just keeping in line with that. We'd like to locate it in Ontario.

(2) Community energy: We were slightly concerned that if each community was required—

Interjection.

Ms. Jeanette Biemann: Let me interject for a second. This is Alvin Olar. He is the chair of the professional engineers Algoma chapter and he's here today with us.

So getting back to number 2, community energy: We were slightly concerned that by having each community doing its own community energy project, it could bog down the local resources. We wanted to ensure that there was the ability for public-private partnerships. This would allow for experts in the industry to work with the

communities to create community-specific plans. This would allow cost-effective projects to be expedited and moved forward with respect to green energy.

(3) Transmission grid: When approving new generating sources, it would be ideal to locate them near existing and growing loads. However, we need to keep in mind that projects such as wind, solar and hydro are better suited in locations where the best generating capacity is available. So when we are thinking of the transmission grid, Ontario will need to ensure that resources and funds are available to upgrade the transmission grid to meet the new generation in northern Ontario to support the loads, which are typically in southern Ontario.

(4) Local engineering expertise: Many professional engineers are already working in Ontario's energy industry. We believe that these local experts are valuable resources to the government on projects such as the Green Energy Act and we'd like to see that they are included in project proposal reviews and implementation teams. This is part of that local content, making sure that engineers are involved in the jobs that are coming forward with the Green Energy Act.

(5) Project planning: When new initiatives come forward, we want to ensure that there's an appropriate amount of time allowed for project planning. Project planning and engineering phases of these projects, if they're set appropriately, will allow for cost-effective designing and ensure that the resources in manufacturing and construction in Ontario are utilized to the best of their ability.

(6) Ontario's industrial competitiveness: Considering that Ontario's industrial competitiveness is a significant driver of prosperity and jobs in Ontario, we'd like to ensure that the electricity rates remain cost-competitive with other areas in North America and Canada. Manitoba and Quebec are important benchmarks to keep in mind when setting the electricity rates. Although the real costs of green energy should be transparent and evaluated when reviewing all new generation projects, only the government is in a position to subsidize the initial higher cost of these energy projects until they become more cost-competitive.

(7) Mixture of generation sources: Although green energy projects are going to become an important mix of the power generation in Ontario, they are only able to do some of the load. Solar and wind are not available on a continuous basis and must be backed up by dispatchable baseload generating power to ensure the reliability of the grid. Cost should also be a consideration. Green energy sources tend to be at a higher cost. Thus, we need to continue to develop low-cost, baseload sources such as hydro and potentially nuclear to set the baseload for the province. One thing to keep in mind is that we're not sure that the true cost of nuclear power has been put forward, and we'd like to see that, and the transparency of all the green energy projects that are being put forward.

1340

(8) Natural-gas-based power generation: Natural-gas-based power should be limited to peak-demand gener-

ating capacity and combined heat and power projects. Long-term forecasts of natural gas forecast that there will be significant cost increases to this commodity over the next few years. We want to ensure that this remains limited so that the costly aspects of this generating source are limited.

(9) Streamlined regulations: This is a welcome component of the Green Energy Act. The proposed streamlined approval process and standardized rates will provide a significant improvement to the process. It will make the planning and proposal phases of the projects less costly, thus maximizing profitability of these green energy projects. One concern was how the new energy czar was going to interact with the local utilities and the various associations, so we suggest that an organizational chart be developed to explain this component of the Green Energy Act.

(10) Conservation: Last but not least, we'd like to touch on conservation because it's a win-win situation. You not only limit the need to develop new expensive power generating sources, but you also reduce the cost to the end user. This should be a primary focus of the new act.

Revisions to the Ontario building code to improve energy efficiency are well overdue and will set the first step in energy efficiency throughout the province. Building code revisions will take time and usually only set the minimum thresholds. If Ontario wants to be a leader in energy efficiency, it should reform the way it approaches public infrastructure projects. Life cycle aspects of design decisions should become the cornerstone of all capital planning projects.

One way to achieve this would be for the government to follow suit with what the federal government and many private developers are doing, which is mandating that all new public buildings meet a third-party-verified degree of higher energy efficiency through programs such as LEED, which are already established. This would be a more holistic approach to green buildings in our province. The Ontario government could also modify the funding formulas for new AFP projects. If the private consortiums were required to pay the ongoing energy costs, there would be more of an incentive for them to provide innovative energy solutions.

In conclusion, we'd like to thank you all again for coming here today, and we trust that the input we've provided to you is helpful. We, the PEO Algoma chapter, would like to remain available to you to help the government with the energy act and other issues to do with public interest. We'd like to welcome your questions now.

The Chair (Mr. David Oraziotti): Okay, thank you very much, Jeanette and Alvin. Mr. Zimmer?

Mr. David Zimmer: Thank you very much. I've listened carefully to your 10 discussion points, so this is a very general question. In which areas does the Green Energy Act, as you understand it, satisfactorily deal with or meet the objectives of your 10 discussion points? Are

there any areas where you think the Green Energy Act falls short, in your opinion?

Ms. Jeanette Biemann: I'd just like to reinforce that this is a consolidated paper with a number of engineers in the community, so I'm speaking on behalf of a number of people. I hope I get this satisfactory to our members.

The number one point we saw as a positive aspect. We thought that it was refreshing, and it was great to see the green energy aspects. It's looking at energy as an industry, so we thought that definitely was being met by the Green Energy Act.

I'm just sort of reading through them here. Community energy we thought was a good process. It just needs to be looked at to make sure that we're not going to bog down the communities.

I don't want to go through each one of them here, but on a lot of them, we thought that the Green Energy Act was addressing the concerns. We just wanted to add some input to make sure it goes in the right direction and that all aspects are being looked at.

Sorry, does that answer your question?

Mr. David Zimmer: That's fine. So you don't have any burning criticisms of it? Generally, you're happy with it, subject to some fine-tuning?

Ms. Jeanette Biemann: We're happy with the intent of the Green Energy Act. There's just some fine-tuning that I think should occur based on the comments we've provided and other presentations today.

Mr. David Zimmer: All right. Thank you very much.

The Chair (Mr. David Oraziotti): Mr. Ouellette.

Mr. Jerry J. Ouellette: Thank you for your presentation. Earlier on, we heard from the OSPE. One of the questions I had was about the jobs and moving forward with an engineering component. I know locally, at the University of Ontario Institute of Technology, they're having graduates who are somewhat expert in this field of green energy, whether they're individuals dealing with wind power, local generation or other aspects. The difficulty I'm finding from the local group is that they are unable to receive a designation from your organization because of their specific expertise. As this field generates new growth and jobs, what sorts of designations can you visualize the province having or these graduating students, who believe that they're environmental engineers with expertise in these areas, being able to have?

Ms. Jeanette Biemann: I can't speak on behalf of the Professional Engineers Ontario; we're just the local chapter. However, I do believe—Alvin, maybe you can comment on this as well—that Professional Engineers is a regulating body that's growing and changing. I know in the medical industry this was something that's been of concern as well. Medical engineers are looking to get licensed in their specific designation. In the past, I think professional engineers have regulated engineers: "You're an engineer. You're not a structural engineer; you're a civil engineer. You're an engineer that focuses on that aspect."

Mr. Jerry J. Ouellette: Yes. With the new legislation coming forward, there will be some expertise in demand

for that, and these individuals are graduating, saying, "We can provide it, but we don't have a designation by your organization. We recognize so."

Ms. Jeanette Biemann: Alvin, do you have anything to comment on that?

Mr. Alvin Olar: The guideline requirements are already set forth for an engineering profession. There's an educational component generally set as a minimum, a bachelor's degree of applied science or a bachelor's degree of engineering, and then there's a work component associated with that, four years of work experience. Sometimes there are different avenues to satisfy those requirements, but the educational requirements and the work experience requirements have to be there.

The profession now is looking at specialist designations within the profession. That's a program that is evolving, but again, they're designations within the engineering body.

Mr. Jerry J. Ouellette: So it will take some time to work through the system in order to find qualifications and how they're going to fulfill them.

Mr. Alvin Olar: They have to become an engineer first—that step first.

The Chair (Mr. David Oraziotti): Thank you, that's the time for your questions. Mr. Tabuns.

Mr. Peter Tabuns: Thank you for the presentation. It was useful information, interesting information. I want to go to this graph that you have showing production of renewable power. Can you tell me the current peak demand for power in the Sault Ste. Marie service area and how much in total megawatts is being met by renewable sources?

Ms. Jeanette Biemann: We did take a look at this with a number of engineers in the community. Brian Curran was here on behalf of PUC this morning and he'd be better to speak to the actual on-demand loads, but when we look at the generating capacity of the various systems—because we have hydroelectric, we have wind, we have cogeneration already installed with the other projects that are listed there—we thought if everything was working on schedule, we were pretty near self-sustaining off of renewable energy alone. We didn't want to put the numbers in because again, Brian Curran would be better to speak to what the actual, true capacities are, but we're very near self-sustaining off of our green energy alone.

Mr. Peter Tabuns: The impact on the engineering profession in the Soo with these green energy projects going ahead: What impact has it had?

Ms. Jeanette Biemann: We see it as a positive. Engineers in the community have been working on these green energy projects to date and it's brought engineering expertise to the region. Brookfield Power has been brought here and there's potential for a solar farm to be brought here. So the engineering job creation is excellent with the new green energy aspects being brought forward.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Thank you very much. That's the time for your presentation. We appreciate you coming in today.

Our next presenter: Steelworkers Essar Steel Algoma, David Pettalia? I don't think Mr. Pettalia's here.

We're going to take a recess, so I'd ask members to stay in the area. When the individual's here—

Interjection.

The Chair (Mr. David Oraziotti): Yes, it wouldn't surprise me. We're in recess until our next presenter. Thank you.

The committee recessed from 1349 to 1352.

UNITED STEELWORKERS, LOCAL 2251

The Chair (Mr. David Oraziotti): Okay, if we can resume the committee.

Good afternoon, Mr. Pettalia. Good to see you here today. You have 10 minutes for your presentation and five minutes for questions from committee members. Just state your name for the purposes of the recording Hansard and you can begin your presentation when you like.

Mr. David Pettalia: Thank you. My name is David Pettalia. I'm a union coordinator for Local 2251.

Good afternoon. On behalf of the 3,500 active members of the United Steelworkers at Essar Steel Algoma, I would like to thank you for the opportunity to address you today.

A green energy act is necessary and will benefit future generations. It is something that the steelworkers support.

There are issues that must be addressed, such as ensuring that the materials required in manufacturing of renewable green energy, such as wind etc., are supplied by Canadian manufacturers. As an example, Essar Steel Algoma has the capability to make the steel for the wind towers. Promoting the development of wind farms in the north will ensure the employment of steelworkers at Essar, reduce the numbers on layoffs and lessen the economic impact to our community. This is consistent with the objective of the ministry: "(c) advise and make recommendations on growth planning and developing and implementing growth plans in support of strong communities."

Communities in the north have been devastated by the loss of their primary industries. The development of these wind farms in these communities would benefit their local economies. One thing we have in the north is plenty of wind coming off Lake Superior; harnessing it can create and sustain jobs.

A green energy act should ensure that high-energy-consuming industries that are necessary to Ontario's economy, such as steelmaking, continue to improve their energy efficiency and reduce their emissions.

I have seen the emission improvements during my 34 years at Essar Steel Algoma. During the 1970s, the air over Sault Ste. Marie was black with particulates that were dispersed into the air. I grew up in Bayview, less than a half mile away from the coke ovens. The changes are dramatic from those days. Recently, Essar brought

online the new baghouse for number 7 blast furnace to further reduce emissions. We continue to invest in improvements that will clean up our environment.

What can we do in the future? We require coke for our iron-making process. Coke oven technology is important. There is technology out there that has coke as a by-product and electricity as a primary product.

The government is interested in taking coal-fired electrical plants out of the system. Here is an opportunity for the government and industry to work together to create an efficient energy producer and supply the steel industry with a product that they require. The new system is called the Calderon clean coke-making process. This is a closed system that has no emissions.

This is consistent with the objective of the ministry to review energy and infrastructure matters on a continuing basis with regard to both short-term and long-term goals in relation to the energy and infrastructure needs of the province of Ontario. Supporting the investment in cogeneration, as well as wind energy, can reduce our requirements from the grid, thereby freeing up energy for other users.

The Green Energy Act must ensure, as much as possible, that the jobs that exist here today in energy-intensive manufacturing are not lost. The production of our products offshore could be potentially disastrous, as the same environmental standards do not exist in other countries such as China. If this issue is not addressed in the development of the climate change regime, any policy runs a significant risk of not only costing Canadian jobs, but actually exacerbating, instead of mitigating, the problem of global warming.

Greenhouse gas emissions and the resulting climate change are a global problem. A green energy act should make sure that Ontarians are not simply off-loading their emissions and pollution to other countries which do not have strict regulations and commitments to addressing climate change. We should not be contributing to increasing the carbon footprint by shipping everything from overseas.

Steel is an energy-intensive good. At Essar Steel Algoma, our processes have some of the lowest emissions in the world. The same cannot be said of many of our competitors in other countries.

This is consistent with schedule F of the Green Energy Act:

“Reports on greenhouse gas emissions

“58.2(1) The Environmental Commissioner shall report annually to the Speaker of the assembly on the progress of activities in Ontario to reduce emissions of greenhouse gases, and the Speaker shall lay the report before the assembly as soon as reasonably possible.”

In conclusion, there are three points I would like you to consider: The Green Energy Act is good for all Canadians and should include providing jobs for workers in our communities, whether it is making the steel to go into the wind towers or developing wind farms to stimulate the economies of the north; the ministry responsible for the Green Energy Act should partner with high-energy con-

sumer industries to develop cogeneration strategies, both renewable as well as other opportunities, to relieve the pressure on the grid—the emissionless coke oven process is one I’d encourage the government to consider; the Green Energy Act should ensure that Ontarians are not simply off-loading their emissions to other countries.

Again, I would like to thank you for the opportunity to make this presentation.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Yakabuski, questions?

Mr. John Yakabuski: Thank you very much, Mr. Pettalia, for joining us today. You touched on a couple of things that I’d like some clarification on.

Steel, obviously, is a very energy-intensive business. Last week, we had the Automotive Parts Manufacturers’ Association appear before the committee to talk about how we could actually reduce the amount of greenhouse gas emissions and, because of reducing the amount of electricity used, if we had made these kinds of investments into the companies that are producing goods, which we need to continue to produce if we’re going to have a successful economy—if we made those kinds of investments in making these companies more energy-efficient, would that be a better investment than billions into producing more energy, as opposed to finding ways to make the current companies more efficient and more competitive worldwide? At the end of the day, if we lose businesses here, just like you say, instead of the carbon emissions coming from companies here—which are paying as much attention as they possibly can, with the technology they have—they will actually be coming from countries that pay little attention to how much carbon they’re emitting. Could you comment on that?

1400

Mr. David Pettalia: The issue in regard to continual improvement of emission controls is something that we all have to address on an ongoing basis.

At Essar Algoma, I have seen many changes over the 34 years that I’ve been there. I was a utility dispatcher in my job at Algoma Steel, now Essar. We used the coke oven gases in the iron-making, blast furnace gases, and we used those in our reheating furnaces to heat our steel. So we’ve been at this for a long time. We’ve put in a water treatment plant over the years, and now we’re building a cogeneration plant as part of our process.

All these things are good things and continual improvements that are necessary to make any industry in our neck of the woods viable, because of our concerns for our health and the health of our children. Continuous improvement always has to occur.

When I read the Green Energy Act, one of the concepts in there was that the ministry was going to look at ways for longevity in the system. That’s why I bring to your attention the alternate method of making coke. Coke is a substance that is required. It’s in shortage in North America. If we decided together, industry and the government, to move ahead and produce coke in an emissionless system that would allow energy to be the product, it would help offset the energy costs as well as give

us one of our necessary components for making steel. All these things are steps toward continuous improvement.

So, in answer to your question, both are necessary. The population in Canada, in Ontario, is not going to get smaller. We're going to have to have people come in and build industries to ensure that the proper controls are put in place so that we don't import from offshore.

An example would be the lead fiasco last Christmas or the Christmas before, when we were getting components from China that had lead in them. We got rid of the lead in our system a long time ago because we knew it was damaging to our people. The government took the proper steps to ensure that it was eliminated. When we get things from Third World countries, I'm afraid that we don't have those controls anymore. It's not fairly traded steel when I have to compete by putting in all the environmental controls and China does not.

So those are examples.

The Chair (Mr. David Oraziotti): Thank you, Mr. Pettalia. That's the time for Mr. Yakabuski's question. Mr. Tabuns, any questions?

Mr. Peter Tabuns: David, thanks for the presentation—some very useful points here. Could you tell us where that emissionless coke manufacturing or producing process is commercially in use right now?

Mr. David Pettalia: My understanding is that Bethlehem Steel went into partnership with Calderon Energy to make a battery. In light of the short time I had to prepare, I couldn't find all that information, but I know that Bethlehem Steel was one of the partners involved in that project.

Mr. Peter Tabuns: Could you just tell us a bit about the cogeneration facility that's going in at Essar? What's going to be the source of the heat and—no, that's enough. What's going to be the source of the heat?

Mr. David Pettalia: There are going to be a couple of sources. They are going to divert blast furnace gas as well as coke oven gas to boilers to generate steam, as well as natural gas.

Mr. Peter Tabuns: Okay. Thank you.

The Chair (Mr. David Oraziotti): Thank you, Mr. Tabuns. Ms. Broten?

Ms. Laurel C. Broten: Thanks very much for your presentation. I understand that the cogen facility that's currently under construction is a great example of the type of progress that can be made when progressive initiatives are undertaken by a company such as Essar. I believe I'm right that there are about 200 construction jobs right now, building that cogeneration unit. Is that right?

Mr. David Pettalia: I could not tell you for sure how many jobs that entails.

Ms. Laurel C. Broten: Okay. Well, we're seeing jobs in building a cogen unit. I understand the figures are about a 50% reduction in reliance on the provincial grid once it's up and running, so it's self-sustaining within the facility. Third, an important point for the folks you represent, steelworkers, is that it helps make your product more competitive in the marketplace because it reduces your costs.

So it seems like there's a really good model here to look at as to how we can move forward to the pathway that we all want to get to on the green energy front. I appreciate that. Thank you.

Mr. David Pettalia: Thank you.

The Chair (Mr. David Oraziotti): That's the time for presentation. Thank you very much.

Everyone, that's the presentations for today. Committee is adjourned until tomorrow at 9 a.m. in London, Ontario.

The committee adjourned at 1406.

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Oraziatti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Oraziatti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Mr. Lorenzo Berardinetti (Scarborough Southwest / Scarborough-Sud-Ouest L)

Ms. Laurel C. Broten (Etobicoke–Lakeshore L)

Mr. Jerry J. Ouellette (Oshawa PC)

Mr. Peter Tabuns (Toronto–Danforth ND)

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke PC)

Mr. David Zimmer (Willowdale L)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. James Charlton, research officer,
Research and Information Services

CONTENTS

Tuesday 14 April 2009

Green Energy and Green Economy Act, 2009, Bill 150, <i>Mr. Smitherman</i> / Loi de 2009 sur l'énergie verte et l'économie verte, projet de loi 150, <i>M. Smitherman</i>.....	G-449
Sault Ste. Marie Real Estate Board	G-449
Mr. Derek Crowell	
Northern Lights Energy Systems.....	G-451
Mr. Laurence McKay	
PUC Distribution Inc.	G-454
Mr. Brian Curran	
Five Nations Energy Inc.....	G-457
Mr. Ed Chilton	
Upper Lakes Environmental Research Network	G-460
Dr. David DeYoe	
First Nations Energy Alliance	G-462
Mr. Byron LeClair	
Sustainable Energy Resource Group Co-operative Inc.	G-466
Mr. Danny Goedhard	
Superior Renewable Energy Cooperative	G-468
Mr. Roberto Garcia	
Ontario Society of Professional Engineers	G-470
Ms. Angela Shama	
Mr. Luke Macmichael	G-473
Mr. Paul Day	G-476
Professional Engineers Ontario—Algoma Chapter.....	G-478
Ms. Jeanette Biemann	
Mr. Alvin Olar	
United Steelworkers, Local 2251	G-481
Mr. David Pettalia	

CA204
XC16
-G23

Gouvernement
Public



G-23

G-23

ISSN 1180-5218

Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Wednesday 15 April 2009

Journal des débats (Hansard)

Mercredi 15 avril 2009

Standing Committee on General Government

Green Energy and Green
Economy Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 sur l'énergie verte
et l'économie verte



Chair: David Oraziotti
Clerk: Trevor Day

Président : David Oraziotti
Greffier : Trevor Day

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Wednesday 15 April 2009

Mercredi 15 avril 2009

The committee met at 0859 in the Hilton London.

GREEN ENERGY AND GREEN
ECONOMY ACT, 2009LOI DE 2009 SUR L'ÉNERGIE VERTE
ET L'ÉCONOMIE VERTE

Consideration of Bill 150, An Act to enact the Green Energy Act, 2009 and to build a green economy, to repeal the Energy Conservation Leadership Act, 2006 and the Energy Efficiency Act and to amend other statutes / Projet de loi 150, Loi édictant la Loi de 2009 sur l'énergie verte et visant à développer une économie verte, abrogeant la Loi de 2006 sur le leadership en matière de conservation de l'énergie et la Loi sur le rendement énergétique et modifiant d'autres lois.

The Chair (Mr. David Oraziotti): We'll call the Standing Committee on General Government to order. Good morning, everyone. It's good to be here in London today.

We have quite a few presentations, so we'll need to keep to the time as best possible. Members will have five minutes for questions for each presenter. Again, just a reminder, that's about a minute and a half or thereabouts. If you choose to use your time to make a statement on the record, that's fine, but presenters may not have the opportunity to respond, should you do so. I want to caution you upfront on that before we begin today because we have a very, very long list of presenters.

SKY GENERATION

The Chair (Mr. David Oraziotti): I'd like to call the first presentation, Sky Generation, Glen Estill.

Good morning, sir, and welcome to the standing committee. You have 10 minutes for your presentation and five minutes for questions. Just state your name for the purposes of our recording Hansard and you can begin your presentation when you like.

Mr. Glen Estill: Thank you very much for having me. My name is Glen Estill. I'm the founder of Sky Generation, which is a small wind development company. I'm a one-person company, so our entire staff is here speaking with you today.

My firm is a private firm. I have raised capital from 16 investors and of course have major bank debt to support the projects that I've built. So far, my firm has built a

five-megawatt, three-turbine project on the Bruce Peninsula and a six-turbine, 9.9-megawatt project near Ravenswood, which is between Grand Bend and Forest on southern Lake Huron.

I sell about half of the power to Bullfrog Power, which sells to the voluntary green market, and the other half is sold to the Ontario Power Authority. Because I've actually built projects, I thought it might be useful for me to get in front of you and give the perspective of a small-scale developer. I only have one main point and two recommendations around the Green Energy Act.

I guess what I want to say is, building a wind farm is not an easy thing; in fact, it's really hard. For me, the easy part was raising the capital, and even lining up turbines, although more difficult, was achievable. Construction contracts were not terribly difficult, but the really hard part of it is getting the permits in place to allow you to go ahead and build it. I'll just run through a list of some of the permits that you need to get. I'm pretty sure it's not exhaustive. I just scribbled this down this morning.

You need to get NAV Canada and Transport Canada approval for radiuses around airports and for aeronautic lighting. You need to consult with Health Canada; the CBC; the RCMP; Fisheries and Oceans, if you come anywhere near any kind of a stream; Canadian Wildlife Services on birds, bats and other issues; and First Nations, of course.

At the provincial level, you have an environmental impact statement, which is quite a massive undertaking. You have a certificate of approval for sound from the Ministry of the Environment. If you're on a provincial highway, you need to have Ministry of Transportation approval and of course you need Ministry of Transportation approval for moving heavy equipment on provincial highways.

At the municipal level, you need an official plan amendment in many cases—not always, but sometimes that's already in place. You need zoning amendments. You need site plan approval. You need building permits, and every step of the way along that there's the opportunity today for Ontario Municipal Board appeals. It doesn't matter where they live. In one case, an objector lived 17 kilometres away from a proposed wind farm in Ontario and they were able to launch an OMB appeal, which delays the process of building a wind farm by at least six months, more likely nine, and all they do is pay a \$150 fee to launch that appeal.

I haven't even gotten to the electrical issues. We have Hydro One who, in my case, approved a connection for 10 megawatts for one project and then unilaterally changed that to 6.6 megawatts because someone at head office had said, "We're changing our rules on how much you can connect to the grid."

You have the Electrical Safety Authority, who approves the project. The same guy who does approvals on new homes and so on comes out and approves your wind farm for connection. He only comes to the area once a week, so you can have \$25 million in assets sitting there waiting for the Electrical Safety Authority guy to show up.

The current proposal in the Green Energy Act talking about a one-window permit process is something that is very much and sorely needed. As important is the renewable energy office that is going to keep its finger on the approvals issues around the province. Of the two recommendations I have, one is, I would suggest that part of the act require the renewable energy office to present a report to a committee of the Legislature so that the Legislature can have their finger on the pulse of what's going on with permitting issues around the province.

Permitting issues change over time and new things creep in, and I think it's important that the electricity bodies—the OEB, the OPA, the IESO, Hydro One, etc.—are held accountable to the Legislature. I think the proper way is to do that through committee work like yours, to hear what the latest is and see if there are any additional actions required by the Legislature.

The second recommendation has to do with the appeals process. Right now, there do not appear to be any limits on what can happen with respect to appeals in the process. There are no limits on the time required or whether an appeal is dismissed before having to go to a hearing etc., no assessment as to whether or not it's a legitimate appeal or just a request for delay of a project on principle because "I don't want any project anywhere in the province."

I'm sure the committee is aware of the forces of the status quo. Those are people who are opposed to wind in principle anywhere in the province. I'm sure you've heard from some of them, and if you haven't, you're going to be hearing from some of them. What you have to make sure doesn't happen is that you set in place a process that allows the forces of the status quo to use the process to block good projects. That's why the recommendation on the appeals process is so important.

In closing, every few days another shipload of coal arrives at the Nanticoke plant, and we take that coal, we put it into the coal plant and we burn it. We know what it does: It causes carbon dioxide emissions, smog, acid rain and mercury depositions. It's something that we know is not really very good for us. There's no environmental impact statement, there are no municipal approvals, there's no consultation with First Nations or neighbours; it just happens as a matter of course. Our whole system is set up to support the status quo, and any change to the status quo is fundamentally difficult. That's what the

Green Energy Act, in my opinion, at least as far as the renewable energy portions of it, is all about. Certainly, in terms of the permits and approvals process, I think the act is on the right track, and with a couple of small tweaks, it could be a very useful thing at moving us forward in what I would call a sane and future-looking way on our electricity supply in the province. That's it.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Glen, for joining us this morning. Welcome to the world of trying to get something done in Ontario. I can tell you that the cement industry tried for almost eight years to get an approval for an alternative fuel to fire their kilns. It took six months to get an approval in the province of Quebec; seven years and no approval in the province of Ontario. We live in a different world here when it comes to the ability for things to be held up.

However, we're going to hear from people today—and we've heard from some people in the depositions previous to yours—who have concerns about the possible adverse effects. I'm not a doctor and I'm not a scientist, so I can't comment on them personally, but there will be people who will say that we need to have the ability to question whether or not a wind turbine project can go in this particular spot or not because we have evidence that shows that they have adverse effects. I think wind developers like yourself are going to be very pleased with the Green Energy Act and the changes that are in it, but there will be some people who will obviously object to that. That's why we're having these hearings.

But the other thing you talked about, getting us off coal, if for every megawatt of wind we have in the system, we're going to need that we can dispatch when that wind isn't blowing, sort of the default one that we're talking about is natural gas for peaking plants and that. We still have greenhouse gas emissions from those. We're not going to eliminate greenhouse gas emissions by running natural gas plants, so I'm just not sure whether you approve of that as a backup source or what you feel about what we should be doing.

Mr. Glen Estill: Natural gas has half the carbon dioxide emissions of our current coal, which is old coal, and has substantially less NO_x and SO_x emissions. So when choosing your poisons, natural gas is the better option.

We principally rely on hydro for handling our peaking in this province. We'll have several thousand megawatts of swing each day as we gear up, so the hydroelectric resources are actually the best match with other sources of renewable energy. The other thing we have not utilized: The city of Peterborough and the city of Guelph used to have a system where they could shut off hot water heaters for a period of time and stop using power. They were doing that because transmission systems were overloaded. There's no reason you couldn't put in place a whole bunch of technologies like that, store heat for a period of time and use that to balance some of the loads—

Mr. John Yakabuski: That's about conservation.

Mr. Glen Estill: Yes. There's a whole host of ideas like that. That's just one of them. Electric cars are something people are talking about and we don't know quite where that's going.

0910

The Chair (Mr. David Oraziotti): Thank you, that's time. Mr. Tabuns, questions?

Mr. Peter Tabuns: Glen, thanks for coming down and making the presentation. It's a useful one. We've had a number of people speak to us in these hearings about setting the feed-in tariff so that it reflects resource intensity, so that we have a broader range of installations rather than having them narrowly focused in some of the richest wind areas. What perspective do you have, as a wind developer, on that approach?

Mr. Glen Estill: I think it's a very powerful tool to actually increase the number of opportunities while, at the same time, protecting ratepayers, because what you will have a tendency to do, if you set "one price fits all," is set a price that means that the guy who's in the really good wind resource is making lots of money. If you set something that's variable, then you can set it so that, if you have a really good wind resource, you pay him less per kilowatt hour. He may still make more money if you have a well-designed system. He'll make a better return on investment than the guy in the lower wind resource, but at least the person in the lower wind resource will also be able to build. So you spread out the developments, probably allow more, smaller developments and not necessarily big, monster projects that have the economies of scale. I think it would dramatically increase the uptake of wind energy in particular.

So to me, if it's a well-designed system, it can be very powerful at accomplishing the objective while not letting ratepayers pay the full shot, basically. To me, it's rewarding the right thing.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Thank you. Ms. Broten?

Ms. Laurel C. Broten: Thanks for coming in today, Glen, and for your presentation. I want to pick up on the point that you were making with respect to the appeal process and just ask whether you've given any thought to how you would see your proposed new appeal process flowing. We have heard submissions at committee in previous hearing days with respect to a level of assessment to be undertaken by someone in a position to undertake that assessment and determine whether that appeal should go forward, not unlike a bump-up process in an EA. But others have suggested that that process is too close to home for us within the government, because it's a single decision-maker. So I'm just wondering, from someone in your position, whether you've given thought to how you would see that appeal window not being as wide open as you suggest it might be, but still allowing a voice for the community.

Mr. Glen Estill: I guess the one thing is, you have to assess the voice for the community. A big part of the

voice for the community is figuring out a way not to use as much coal and natural gas and fossil fuel. So there's that community that also needs to be considered in the overall thing, which I think is part of the reason the Green Energy Act has been introduced.

You want an appeal process to block a bad project, one that has undue impact on a community. A lot of that should be determined by the general approval rules that are in place in the first place. The Ministry of the Environment and the Ministry of Health have experts who can assess true health risks and come up with guidelines that would allow for protection on health-related issues. I think the Canadian Wildlife Service, the Ministry of Natural Resources and wildlife biologists can do the same on biology.

The impact of wind turbines is probably a little bit understated by the industry. The principal impacts are sound and visual—you can see them. I'm not sure that the visual argument in particular trumps my right to clean air and a climate that isn't changing.

The Chair (Mr. David Oraziotti): Thank you, that's time. We appreciate your presentation. Thanks for being here today.

COUNTRYSIDE ENERGY CO-OPERATIVE INC.

The Chair (Mr. David Oraziotti): Our next presenter is Countryside Energy Co-operative, Mr. Fyfe. Good morning, and welcome to the committee. You have 10 minutes for your presentation and five minutes for questions among members. Just state your name for the purposes of the recording Hansard and you can begin your presentation when you like.

Mr. Doug Fyfe: My name is Doug Fyfe. I'm the general manager of Countryside Energy Co-operative, based in Milverton, Perth county, Ontario.

Countryside Energy Co-op was established in August 2005 with a mandate to create renewable energy wind farms at the community level, using the well-proven and tested European model. We have gone into a partnership with the WindShare co-operative in Toronto. In their earliest life they put up the turbine at Exhibition Place in Toronto. Between the two of us, we have a development entity called Lakewind Power Co-operative. That's how we're going to develop the wind farms on a joint basis.

We started developing the Bervie wind farm. We engaged in discussions with Hydro One about three years ago and in August, three years ago, we got our connection impact assessment agreement, which allowed us to proceed to the system impact assessment. Then, the Ontario Power Authority, which we have to sell the power to under the old RESOP program, introduced an orange zone in that area, and that basically stalled our project. We were working on limited finances, being two co-operatives, so we had to suspend our activities, other than lobbying for change.

I'm pleased to say that Bill 150, the proposed Green Energy Act, is going to make great changes for Ontario,

for the ratepayers, for the electricity consumer and for job opportunities. It's landmark legislation in North America, emulating the best that Europe can offer, and Countryside Energy Co-op applauds the Legislature for bringing that in.

I've got two concerns with the regulations that are being drafted at the moment, from the feed-in tariffs program rules with Ontario Power Authority. One is item 24 in the rules, "community group," and the other is item 52, "eligible community project." At the moment, the draft rules are restricting a community group to being a group where the members of that group either live in a county or regional authority, or own property in a county or regional authority. At the moment, Countryside Energy Co-operative has 107 members from all over southwest Ontario and some even from eastern Ontario. They are keen to be part of our project. Some of them are from the southwest Ontario area who have moved away and have heard about our co-op.

Our first project near Bervie is in Bruce county. We've got about 30 members of our 107 in Bruce county. We are hoping to develop a wind farm site just outside Milverton in Perth county; we've got about 50 members there. We've got another site near Goderich, in Huron county; we've got about 25 members there. The rest are in other parts, as I say, of southwest Ontario.

Our co-operative at the moment, with the existing membership—we couldn't develop the wind farm because not everyone is located in Bruce county, and that is a showstopper unless that rule gets changed. We're a co-operative registered in Ontario and therefore conform to the Ontario Co-operative Corporations Act. That is a community in itself. Because the Ontario co-operatives act is a very well-defined act, Countryside Energy Co-op is looking at a co-operative being a community in its own right and should transcend any regional or county boundaries.

The other matter with "eligible community project" is that the Ontario Power Authority is wanting endorsement from upper- and lower-tier municipalities, such as county and township levels, to define the project as a worthy community endeavour. I just wonder why they want that. At the moment, we've got to apply for permitting, as Glen mentioned earlier on, through the municipalities. That may change as a result of the Green Energy Act, but there are going to be processes in place that look on projects for siting purposes, and I wonder why the OPA is actually putting in a constraint on that because if you do get a municipality that doesn't understand it or is confused by it, they effectively could block a project.

The other thing I'd like to say is that the electric utilities have got to be accountable to the Legislature. When our project was stalled by the orange zone, we had some meetings with Hydro One and the Ontario Power Authority, and it was very clear that they just weren't interested in listening to us. They gave us the courtesy of some meetings, but there were no follow-ups after that, so we just had to sit and grin and bear it. There was a strong perception—and I have to say this because this is the way

we all felt in various community groups—that they just hoped that we'd go away. But we haven't gone away. We want to go forward. This Green Energy Act is a result of lobbying, plus people using their initiative in the Legislature to help it go ahead. These MPPs and their staff have to be applauded for that, and the Minister of Energy and Infrastructure as well. It is an enormous step forward and brings Ontario to the forefront of sustainable energy generation in the world.

0920

It also is a great opportunity for new and sustainable jobs in Ontario, especially rural Ontario. Two of the world's leading wind turbine manufacturers, Enercon of Germany and Vestas of Denmark, who have got turbines running already in Ontario, were very interested in setting up manufacturing in Ontario, partly out of environmental considerations. They were saying, "Why should we manufacture them in our countries and bring them across the Atlantic in smelly diesel ships?" They would like to develop manufacturing plants here. They put their plans on hold because they didn't see a market, because the orange zone in the windiest part of southern Ontario was stalling just about everything. They are still interested in developing, and it could create many thousands of jobs, probably 3,000 or 4,000 in the first few years and maybe many more. These would be sustainable jobs, because it's sustainable energy we're looking at. They could export outside of the province and into the USA if necessary.

Thank you for listening to my deposition. I'm open for questions.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

Mr. Tabuns, go ahead with questions.

Mr. Peter Tabuns: It's useful to have this perspective brought before the committee. My hope is that the government will speak to why these restrictions are in the legislation. My guess is that there is an interest in having a group rooted in a community as a way of dealing with—a rejection that this is an initiative from someone outside a community. But the government can speak to that.

If, in fact, the government doesn't go for your first recommendation as written, is there a compromise that would require that at least some significant portion of an energy co-operative be based in the community in which the turbine is located?

Mr. Doug Fyfe: I still think that would cause some problems, because in rural areas the population base is not sufficient to generate the revenue. We're looking at having about 2,000 members of our co-op—in our catchment area, we're looking at most of southwest Ontario. In Bruce county, the population base isn't there for sufficient members to join to raise upwards of \$23 million to \$25 million for a 10-megawatt community wind farm. We already have members, as I say, all over the place. We'd be disenfranchising them. I suppose one option could be to split up the co-op. That would be expensive. We just would not be able to get the membership neces-

sary to generate a community wind farm in any of the rural counties or regions in southwest Ontario. The population just can't afford that, especially given the economic times at the moment

Mr. Peter Tabuns: Thank you. It was useful to have that clarification.

The Chair (Mr. David Orazietti): Ms. Broten.

Ms. Laurel C. Broten: On that same point, are there any European models that are established based on co-operatives where the funding comes from some members and the local support comes from other members? Are there any sort of bifurcated models that could be examined?

Mr. Doug Fyfe: Yes, in Denmark especially and parts of Germany, there are farmer-owned co-ops, which tend to be in small, centralized areas, but some of them do transcend their own county boundaries, so to speak. These are usually fairly philanthropic farmers who can afford to build them. They're much smaller wind farms than what is in the legislation you're offering. They're developing less than a megawatt or maybe two or three megawatts.

A lot of the larger community wind farms are drawing their membership from a much wider area—such as Countryside Energy, actually. They're going over maybe 30 or 40 different county boundaries.

Ms. Laurel C. Broten: How do you get over the issue that Mr. Tabuns raised with respect to the members of the co-operative not living in the community? How is it really any different than a wind farm that's a for-profit, for example, where the dollars are coming from elsewhere? The community-driven initiative is one that we've heard is very important for local acceptance. If you have a co-op and all of the members are from Toronto, and you're trying to put it in Mrs. Mitchell's riding, how is that any different than some of the concerns raised with for-profit?

Mr. Doug Fyfe: That is a valid point. It depends on how you define "community." "Community" is very easily defined by a tight geographic boundary. To take the greater Toronto area, you've got upwards of almost four million people, so you've got a phenomenal base for people wanting to have a wind farm. In practice, you cannot develop a wind farm in a city area because of inefficiencies due to turbulence around buildings, proximity to buildings and what have you. So even in a city area, people are very much constrained.

The existing commercial wind farms are not community-based, per se. Most of them are outside of the province so all the profits are going out of the province. We want to keep the profits within the province and within our community, which we are defining as the co-operative members in Ontario who wish to join us under the Co-operative Corporations Act. We're using the co-op model itself to help draw membership, and people are willingly joining us from well outside our local area.

The Chair (Mr. David Orazietti): Thank you. That's our time. Mr. Yakabuski?

Mr. John Yakabuski: Thank you, Mr. Fyfe, for joining us this morning. I'll ask you a couple of quick questions and you can deal with them.

You mentioned the community-based. I'm guessing that the reason you'd like to see some of the rules changed is that there is a difference in the feed-in tariff rate that is paid to community-based.

You mentioned about being in the consumers' best interests. When I talk to a lot of people, particularly low-income families and/or low-income seniors, one of the biggest concerns they have is escalating hydro costs. How do you deal with that when all of the evidence suggests, in spite of what the minister might try to have us believe, that the more power you put into a system at a higher cost, the higher the average price of electricity goes?

And do you support, without reservation, the removal of the municipal power to determine whether or not they accept a development of any kind, but particularly in this case, in Bill 150, the development of a renewable energy project in their community?

Mr. Doug Fyfe: As far as the costs go, yes, I can understand that people think, "Oh, an increase in cost; that's going to hit me in the pocket." At the moment, sustainable energy developments account for a very small proportion of the cost of electricity, so it wouldn't really be that noticeable, but you do have to get these projects off the ground. I mean, every development that has taken stages forward in the developed world has taken a bit of cost at the beginning to get going, and then it balances out. Interestingly, the way the equivalent of the Green Energy Act has worked in Denmark, the Netherlands and Germany is at the cost of their renewable power, because a lot of the initial debts have been paid off. There's not much different from the traditional base.

But the traditional power base has got to be looked at as well, because what actually are the running costs? It's known that they are subsidized, so if there's a level playing field, it would be interesting to see how that would work.

For example, we are bearing the full cost of installing the power generation equipment, whereas the Ontario taxpayer is paying for upgrades to existing power stations. The reflection in the hydro bill—it isn't in there for these things, so, again, there's not a level playing field. So it's very difficult to give a straight answer to that, but I think you can see how the balance goes there.

As far as removing municipal power, I'm not in favour of all powers being removed. I attended one of the environment workshops three weeks ago in Toronto, and there were some cases made by some municipal leaders—mayors and planning officers. Our office is actually located in the township of Perth East's municipal office. They rent a room to us, which is very good, and I've spoken to the county planning people quite a lot, and I strongly believe that the county and the lower-tier authorities should still have a say in the development of wind farms—or anything, for that matter, not just wind farms—

The Chair (Mr. David Orazietti): Thank you, sir.

Mr. Doug Fyfe:—because there's some local knowledge that could be very specific to an area or just a few areas that might not be covered by the blanket process. But, again, a bit of what Glen said: We've got to make sure that there's no—

The Chair (Mr. David Orazietti): Thank you, sir. That's the time for your presentation. I appreciate you being here today.

FARMERS FOR ECONOMIC OPPORTUNITY

The Chair (Mr. David Orazietti): Our next presenter is Farmers for Economic Opportunity, Jon Lechowicz.

Good morning, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members of the committee. Just state your name for the purposes of the recording Hansard, and you can begin your presentation when you like.

Mr. Jon Lechowicz: Good morning. It's Jon Lechowicz. I'm an officer of Farmers for Economic Opportunity.

Farmers for Economic Opportunity had its start in a tobacco farmer lobby group, Tobacco Farmers in Crisis, in 2006. Some of TFIC's members realized that renewable energy presented an opportunity to bolster sagging farm income on traditional crops, as well as to develop transitional crops on former tobacco lands. In less than a year, our concept of community-based development had attracted over 80 members, representing in excess of 13,000 acres in Haldimand, Norfolk, Brant, Oxford and Elgin counties, traditional tobacco counties—not Haldimand; no tobacco there. And we have a lot of farmers. It's not just tobacco farmers—less than half.

0930

Currently, we are in the early stages of a 10-megawatt wind development and are planting demonstration and propagation plots of miscanthus and switchgrass. We believe purpose-grown biomass energy crops to be the biggest opportunity for most of our members and farmers in general. OPA has indicated that coal-fired plants in Ontario could be converted to biomass fuels. FEO believes that this is a tremendous opportunity for our members and a sustainable, safe and carbon-neutral alternative for future base load generation. This alternative fuel production system will create more jobs and wealth for Ontarians than the more expensive nuclear option.

We have identified several areas of concern for sustainable and renewable energy development. We commend the authors of the act in addressing many of the issues and challenges today. The issues we feel are very important are:

- that agricultural and community-based initiatives be given priority access to the grid. I don't have it in here, but one of the ways of accomplishing that is just what this gentleman brought up, which was variable feed-in tariffs: very important for success;

- that funding mechanisms be developed for assisting small generators with seed money for initial soft costs to

get projects through early development, which is a very difficult time for any community or small generation project;

- that establishment grants for purpose-grown biomass crops must be instituted immediately, as they have been in the USA and the European Union. I have attached notes regarding both areas where the biomass is getting planted. In England now, over 200,000 acres, I believe, have been planted;

- that there must be a firm commitment from OPA that Ontario farmers have priority in providing biomass fuels.

Thank you for the opportunity to present our recommendations. I'd welcome any questions this morning.

The Chair (Mr. David Orazietti): Thank you. Ms. Broten?

Ms. Laurel C. Broten: I'll give my time to Mrs. Mitchell.

Mrs. Carol Mitchell: Thank you very much, and thank you for your presentation, Jon. I just want to give you an opportunity to expand on the agricultural and community-based initiatives and what you feel the challenges are in moving that forward. You've also asked for funding, if I go on into your presentation, but I want to give you the opportunity to expand on that. In moving the agricultural community, if I could use tobacco as an example, away from tobacco into biomass production, what do you feel needs to be available in order to enhance the footprint for the agricultural community?

Mr. Jon Lechowicz: One of the main things that we see in the public realm as farmers is that people are very concerned about food for fuel. Food for fuel is a non-entity in the southern, southwestern province, the tobacco sand plains, because we've got approximately 200,000 acres that was designated tobacco land, which is sort of right now floating between vegetables and potatoes and people going in and out.

The other thing is, you can't—I don't know how familiar you are; I'm sure you're very familiar. OPA has done test burns at Nanticoke, and there's an opportunity there for over 200,000 acres to supply those. And it has to be close. Nanticoke's a big operation and it has to be close. We're close, but people can't look at a crop that costs \$2,000—switchgrass is an annual, so it's a little different, but miscanthus we've identified as the best to date because of the production capacity. But the production costs to develop it are upwards of \$2,000 an acre, which right now I'm pulling out of my pocket. I don't mind, but I can't see people going for it unless there's a kick. The kick has got to be an establishment grant and the OPA to commit to buy it. It's there; it's all there. We've just got to take advantage of the opportunity. You don't need to tear that place down, and we can set a standard for the world right here in Ontario.

Mrs. Carol Mitchell: Now, one of the issues—as you know, switchgrass is grown in my riding, lots of switchgrass.

Mr. Jon Lechowicz: Yes, I do. I know Don Nott.

Mrs. Carol Mitchell: Yes, I'm sure you do. One of the issues is pelleting. Is that something that you see needs to be enhanced—

Mr. Jon Lechowicz: What was the issue?

Mrs. Carol Mitchell: The ability to pellet.

Mr. Jon Lechowicz: Oh, pelletization. Yes. I think there are some opportunities for pelletization. I think those are retail. Honestly, I don't know how much you're aware of how coal is burned, but it's actually hammer milled; it's dust blown up. We could actually do that. That's the right way to do it. Pelletization seems to be something everyone's hung up on, at a cost of \$50 a tonne. We should concentrate more on changing that system, because you can burn it a different way.

The Chair (Mr. David Oraziotti): Thank you. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Jon, for joining us this morning. A couple of things you mentioned: People have been mentioning quite a bit, actually, about variable feed-in tariffs with respect to the people who got the first choice. It was sort of like when the settlers first came, the farmer got the good land and then somebody else got the bad land, you know?

The other thing I wanted to ask you about is the feed-in tariff rate on biomass. One significant advantage that biomass has over wind is that if it's burning in a plant, it's dispatchable. We can control it and we can ramp it up or ramp it down. We're not relying on nature to determine how much we're going to have in the system at any given time. Given that biomass has that inherent advantage because it's a fuel that you burn, 12.2 cents versus the feed-in tariff for wind: How do you feel about that as being fair, given what you have to do to produce that power?

Mr. Jon Lechowicz: Our early indications are that on-farm, we need \$100 a metric tonne. That compares right now to burning natural gas at today's natural gas prices.

We have to keep separate. As biomass producers, we're not generators. It's up to the government to make the generators.

Mr. John Yakabuski: Is it sustainable or doable at 12.2?

Mr. Jon Lechowicz: I believe it is, very much, at 12.2; I very much do. Now, that said, I do not think that 12.2 is a correct price. This is where variable tariffs come in again. If you're talking about areas where they have a lot of livestock waste, deadstock, vegetable waste, processing waste and stuff like that as well as animal waste, I think that that feed-in tariff presently for on-farm biogas digesters needs to be looked at and looked at hard, because that's a tremendous opportunity—

Mr. John Yakabuski: For biogas.

Mr. Jon Lechowicz: —yes—to clean up a lot of things.

Mr. John Yakabuski: For biogas, yes. We understand.

Mr. Jon Lechowicz: Yes, biogas specifically. I think that's a little low. Everyone I've talked to in the busi-

ness—I know the guys related to the biggest ones so far in Ontario, and they're fighting with that number. And they're big.

Mr. John Yakabuski: Very good. Thank you very much.

The Chair (Mr. David Oraziotti): Thank you. Mr. Tabuns.

Mr. Peter Tabuns: First of all, thanks for coming and making this presentation. It's an interesting piece. I assume this Title IX is an American piece of legislation?

Mr. Jon Lechowicz: BCAP is American and the other one is English.

Mr. Peter Tabuns: Right. The information you just gave Mr. Yakabuski is that you would need \$100 per tonne—

Mr. Jon Lechowicz: Yes, per tonne.

Mr. Peter Tabuns: —to make this economically viable for the farmers, and that would translate to a power price comparable to gas-fired peaker plants right now.

Mr. Jon Lechowicz: Yes.

Mr. Peter Tabuns: Okay.

Mr. Jon Lechowicz: That comes from guys who we've talked to at Nanticoke.

Mr. Peter Tabuns: Fair enough. The other question, though: In order to grow any crop, you need inputs. You have to have the energy that goes into the harvesting machinery. You have to have the energy that goes into cutting, drying and so on. How much energy comes out of the product, as compared to the amount of energy that's put in to grow it and move it in the first place?

Mr. Jon Lechowicz: In terms of miscanthus, first of all, there's no energy in terms of nitrogen applied, right?

Mr. Peter Tabuns: Okay.

Mr. Jon Lechowicz: It's a crop that's good in the ground for probably 15 years. It's been in the ground at the University of Illinois now for 15 years. There's no planting cost; there's nothing. It grows, you harvest it, you take it to market.

Proximity is important, because the biggest cost is probably movement of that volume to a centralized market. We identify that as Nanticoke.

Mr. Peter Tabuns: Right.

Mr. Jon Lechowicz: We're good at that because we used to shift 250 million pounds to three places in Ontario. So it sounds like a big deal, but it's really not.

Mr. Peter Tabuns: Okay. Thank you. I appreciate that information.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

0940

BRUCE PENINSULA LAND OWNERS

The Chair (Mr. David Oraziotti): Our next presenter is the Bruce Peninsula Land Owners, Tim Matheson, director.

Good morning, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions among

members. Just state your name for the purposes of the recording Hansard, and you can begin your presentation.

Mr. Tim Matheson: Good morning, committee and Chair. Thank you very much for hearing me. My name is Tim Matheson and I appear before you this morning as a representative of many of the landowners, business people and residents of the Bruce Peninsula.

We're a little corner of the world about three hours north of here. We are technically considered part of south-western Ontario and geographically we may appear so. Practically speaking, we share many similarities with northern Ontario: We're surrounded on three sides by water; we have a very small population base; most of our industry is agricultural in the central part of the Bruce Peninsula, in some cleared lands there, and is, to a large degree, beef farming. There are resort and cottage areas of the Bruce Peninsula, mostly along the shorelines.

In the early years of my life, my family lived on the Bruce Peninsula. I then spent my formative years in Oxford county on dairy farms and I'm a graduate of the University of Guelph. For the last 25 years, however, I've been a resident of the Bruce Peninsula. I've raised my three sons there and I've conducted business there operating a large residential children's camp on the Bruce Peninsula.

My lands are not likely to be considered for any wind project which eventually may come to the Bruce Peninsula, nor am I being paid to be here. I am here representing a group of landowners, business people and other residents that have gotten together to discuss a potential wind development which may or may not be coming our way on the Bruce Peninsula.

I'm here to tell you a story of what's going on in our little part of Ontario. Some time ago the IPSP document in our province identified the Bruce Peninsula as a possible location for an enabler line to connect an as yet undeveloped wind resource to our grid. Several companies read that paragraph or two in that rather bulky document and identified an opportunity to come and start knocking on our doors and amassing lands, should and if such a project ever become a reality. I identified that as an interesting development and one that potentially could be a good thing or a bad thing for our community. I wanted our landowners to get together and understand what they were getting into with respect to a future wind development, to explore all the possibilities of what that could mean to them socio-economically and as a legacy to where these second-, third- and sometimes fourth-generation farmers are living.

We organized ourselves, then, to come together as a community. We recognized the uniqueness of the opportunity that was coming our way. In the last few months, we've negotiated with several wind developers and one in particular. If the wind development were to be successful, we've tried to arrange it and have foresight to make sure that landowners, small business people, our school system, our health care's small hospital, and recreational and environmental initiatives that exist in our community would ultimately benefit.

The Bruce Peninsula wind project, if following the model we've negotiated, would be the largest community-owned portion of a wind project of anything now existing in Canada. That's a big "if." We also feel it would be a new standard and a new way of doing business with communities from developers, especially dealing in rural areas of our province.

Perhaps the largest hurdle in a development there would be the construction of this enabler line. In other words, we need connection to the new, as yet unbuilt Bruce-to-Milton line. Our connection to that line is vital. We have a wind resource. We have landowners who are educated in the nuances of hosting turbines on their property. In fact, we have a very small wind farm already operating in our community, and the acceptance level and the understanding of what that means is already very strong within our small part of the world.

As I said, we've structured a deal that will ensure broad-based community benefits in our area. We just need the connection. We need the Bruce Peninsula enabler line to become a reality, and we hope that the Ontario public will see the value in this and find a way to help us do that. The Green Energy Act, if enacted, therefore would be an important piece of legislation to us and other people in our position.

I've been coaching teams for 25 years: basketball, volleyball, hockey, soccer, baseball. I've coached probably 35 different groups of young people over the years. We have declining enrolment in our school. We have rural depopulation. We have talked about amalgamating with the town of Wiarton to the south of us so that we can keep our arena afloat and have hockey teams and so on. The permanent family-supporting types of jobs associated with this type of wind development could re-energize our declining enrolment in our little K-to-12 school. It could invigorate the minor sports associations that I've dealt with extensively. Our municipal tax base, of course, would benefit. Our health care, senior citizens' care—those facilities would be more sustainable. Our kids would perhaps have career opportunities in their own community that have been unknown until now. I speak on behalf of people who want this to happen.

I didn't understand until today—and I've listened to a few presentations—how much of this you must hear over and over again, so I apologize for what might seem like rhetoric. However, we do need your help. I remember a long time ago, one of the best ways in the children's camping business—someone told me when I was a young counsellor that the best way to get someone to like you is to ask them to help you. It's something that I've found to be true over the course of my life. I'm here on behalf of people who are asking for your help as legislators, as decision-makers. We want to make sure that we leave a legacy of improved social, economic and environmentally responsible conditions where we live, and we need your help to do this. We need your help to help us do what we think is the right thing. I bet that lost sometimes in the details of what you hear on a day-to-day basis in these hearings—some of the minutiae must really

cloud one of the larger truths, and that is ultimately, I think we all know, that this is about doing the right thing. This is about making up for some of the mistakes that have been made in the industrial age, about reducing greenhouse emissions and finding a way to do the right thing. We, as a society, really resist change, don't we? To change requires courage; it requires vision. Decision-makers have the tough job of separating the wheat from the chaff, as it were; to have the ability to hear the truth in these presentations and understand that the misinformation and half-truths and innuendo that you sometimes hear is fuelled by this resistance to change and this fear, and not from a lack of understanding of what ultimately needs to be done.

I respect the opportunity to speak to you. I certainly don't envy the job that you must have travelling around hearing this over and over again. Thank you for your time.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Tim, for joining us this morning. I was surprised that you didn't mention Wiarton Willie in your preamble. You did mention Wiarton at one point, but it was in a negative way: having to amalgamate to keep the arena open.

Anyway, you did talk about jobs. I visited some of the wind developments, like the one at Shelburne, which used to be called Melancthon—now I think it's called Amaranth—when it was a single development. They employed about six people full-time. It was basically 100 megawatts of wind capacity. I'm just wondering, after the development is built, what kind of sustainable jobs do you expect from developments up in the Bruce Peninsula and what size of developments are we talking about here?

0950

Mr. Tim Matheson: The IPSP originally identified up to 400 megawatts. The project that we're considering, although as yet not firmly defined, is more along the scope of 200 megawatts.

I don't take issue with the number of six jobs per 100 megawatts. I think the industry standard is kind of between six and eight jobs per 100 megawatts, so that sounds about right. I want to put it in perspective, however. Twelve to 15 family-supporting jobs in our community, if you take the national average of two-point-something children per family, means 30 kids, maybe 40 kids, if there are that many jobs. Our high school has 120 children in it. That's 30% of the high school population. It's substantial. Living where we live, it's substantial. I realize it may not be in a larger population base.

Again, I'm not talking about transient jobs. I'm not talking about construction-phase jobs. I'm talking about the kind that would be career-supporting and family-supporting jobs. But I think the number six, from my information, might not be far off for a 100-megawatt project.

Mr. John Yakabuski: Thank you very much, Tim. I appreciate your presentation.

The Chair (Mr. David Oraziotti): Mr. Tabuns?

Mr. Peter Tabuns: Tim, thanks very much for that very useful information. How did the process of developing an interest in wind power generation in your community come about?

Mr. Tim Matheson: We had two different wind development companies knocking on our door, and when we got together as a community, realizing that this was probably a one-shot deal for us—our land base does not permit us, being surrounded by the Great Lakes, to do another one somewhere down the road—and being good businessmen and good farmers, we didn't take the first offer that came our way. If you go to buy a new combine, you don't always pay the sticker price. You might want to negotiate a little bit down. On that simple premise, we decided to negotiate for what we felt were stronger and more forward-looking terms for not only the landowners living there now, but their progeny, their heirs and their offspring.

Ironically, through this process, we were contacted by yet another company, a third company, and we were able to negotiate with them a business plan which is unlike those of currently operating wind farms in Canada. It's more of a European model, and it allows for a large percentage of the ownership to be local. I understand issues that you had with the last presenter about what is local and what isn't; our intention is that up to 30% of this project could be owned by landowners and residents. Not just landowners, but residents of the Bruce Peninsula. So a substantial financial interest; not a co-op model, as an earlier presenter talked about, but an actual equity investment into the resource that is being farmed, if you will, on our own properties.

Mr. Peter Tabuns: Thank you. I appreciate that.

The Chair (Mr. David Oraziotti): Thank you. Mrs. Mitchell?

Mrs. Carol Mitchell: Thank you, Tim, for your presentation today. And I do know where the Bruce Peninsula is. I want to thank you for taking the time to make the presentation. I wanted to give you the opportunity to speak specifically to the community impact so we can get a better sense of it. What agreement model did you use and what did it include? Do you feel that is something that should be part of the whole development, how the community is impacted, and what responsibility the developer has to give to the community?

Mr. Tim Matheson: Yes, thank you. I've already spoken a little bit about what the socio-economic impact of it may be in terms of permanent family-supporting jobs. Our early estimates range anywhere from \$4 million to \$6 million a year being injected into the community through lease payments, equity participation, tax base as well as the employment stuff. We've also negotiated a substantial community fund, the mandate of which would be for environmental initiatives in our community, recreational opportunities, health care, including care for the aged, sustainability and educational opportunities, including scholarships to those people from our two high schools in the area to pursue post-secondary opportunities in renewable energy fields.

Mrs. Carol Mitchell: Is the community fund paid out on an annual basis?

Mr. Tim Matheson: It is. The terms of it are still undefined because the project is still undefined, based on our lack of connectivity right now, but it is our understanding that this fund would not be an accruing fund. It would be one that within, let's say, a year or two years of receiving the funds, it needed to be spent, it needed to be used, directed by members of the community, but used for these initiatives that I've outlined.

Mrs. Carol Mitchell: And it's for the lifecycle of the wind development?

Mr. Tim Matheson: Of the project, be the project 20 years, 30 years, whatever.

Mrs. Carol Mitchell: Thank you very much.

Mr. Tim Matheson: Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

TOWNSHIP OF DAWN-EUPHEMIA

The Chair (Mr. David Oraziotti): The next presentation is the township of Dawn-Euphemia, Michael Schnare and William Bilton.

Mr. Mayor, welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions. Whoever will be speaking, or if a number of you will be speaking, please state your name before answering any questions or making your presentation. You can begin when you like.

Mr. Michael Schnare: Good morning. My name is Michael Schnare. I'm the administrator-clerk for the township of Dawn-Euphemia. With me today are our members of council: Mayor Bill Bilton, Deputy Mayor Lesley Williams and Councillor Emery Huszka. I believe one of our other councillors, Councillor Harold Gray, is in the audience.

Thank you very much for giving the township an opportunity to address you today on the Green Energy and Green Economy Act. The remarks that we're going to be making today really revolve around the matter of wind turbines, wind-generated energy.

By way of background, the township of Dawn-Euphemia is a rural municipality with a population of approximately 2,190 persons. The municipality is located in the southeast portion of Lambton county.

For the past six months, the township of Dawn-Euphemia council has been considering official plan and zoning amendment applications submitted by IPC Energy for the development of a wind farm comprising 35 wind turbines. During that period, resident opposition to the proposed project has grown substantially, with many residents of the municipality expressing serious concerns about the potential human health effects from wind turbines and the need to determine and apply appropriate setbacks from all sensitive land uses.

These concerns are based on emerging health issues from other areas of the province, particularly the Ripley area in Bruce county, and we believe more recently in the

Shelburne area, those areas where wind turbines are presently operating, as well as some recent research that is being done in the disciplines of infrasound and electromagnetic fields by Dr. Nina Pierpont and Dr. Magda Havas. In fact, Dr. Havas appeared before our council and made a presentation on the matter of the impacts of electromagnetic fields.

Drs. Pierpont and Havas have called for a minimum separation distance of two kilometres between wind turbines and residential dwellings. While other municipalities, I know, have been looking at setbacks that are as low as 400 to 450 metres separation, given the inconsistency of setbacks and the requirements for setbacks that are being applied, many citizens have requested township council to have an independent health study undertaken prior to making a decision on these planning applications. In response to these community concerns, council passed the following resolution at their regular meeting on December 1, 2008:

"Whereas the community of the township of Dawn-Euphemia have expressed sincere concerns regarding the health effects associated with commercial wind generation and transmission;

"And whereas the issue requires provincial participation to provide practical study to generate meaningful results for the benefits of all of our provincial residents;

"And whereas community project proponents in our community ought not to be unduly penalized by higher municipal scrutiny;

The council hereby calls on Premier Dalton McGuinty to direct the current government to initiate a thorough health study based on current scientific data and provincial experience to provide leadership in the province;

"And finally that a moratorium be put in place province wide until such study is completed to satisfy the health of our communities."

1000

Council also directed that the members of Parliament for Lambton-Kent-Middlesex be so advised of the motion and that it also be circulated to the provincial opposition party leaders, which was done.

The resolution was sent to the Premier on December 3, 2008, and the Premier's office subsequently forwarded the resolution to Minister Smitherman for his consideration. To date, the municipality has not received any feedback from Minister Smitherman's office on this particular resolution.

What council would like to stress is that the township's resolution was not based on NIMBY concerns, but rather legitimate health and safety concerns based on actual documented instances of human health impacts, recent research as well as volumes of conflicting literature on the health effects of stray voltage or dirty electricity and infrasound. Council has concerns that the existing transmission distribution grid in the municipality is also inadequate for accommodating the additional power proposed to be generated by the wind turbines.

Council is very concerned that the province's response to their concerns and similar concerns expressed by many

other rural municipalities in Ontario has been to release legislation that totally removes local municipal planning approval authority for alternative energy facilities and projects. The removal of municipalities from the official plan, zoning bylaw and site plan approval processes and the elimination of citizen appeal avenues under the Planning Act in our view are inappropriate measures. Council views these measures as an unprecedented erosion of local municipal planning authority. As such, this legislation does not support the principles of sound land use planning based on local public participation, and thus, the proposed Planning Act amendments are not supported by the council of the township of Dawn-Euphemia. Council does endorse the position put forward by the Ontario Professional Planners Institute in their submission dated March 26, 2009.

Given the significant dependence of Bill 150 on the development of subsequent regulations to implement the legislation, rural municipalities are left wondering how the province intends to ensure that municipal and public interests of the host municipalities will be appropriately addressed by the province and the proponents of alternative energy generation facilities and projects. Council is very concerned with the fact that legislative details are being left to regulations which will be developed after Bill 150 becomes law.

In addition to the earlier noted human health concerns and the need for safe setbacks from sensitive land uses, which remain of paramount interest to council, there are a number of other issues that council believes need to be properly addressed in the legislation. These issues relate to the need for the following:

- agreements to address any repairs required to local municipal roads damaged during and after the construction period;
- the provision of adequate setbacks from property lines and municipal roads to take into account a potential tower collapse;
- a plan for decommissioning the wind turbines at the end of their operating life;
- repairs to farm drains and municipal drains damaged during the installation of service roads and trenches for power lines; and
- an operational management plan, construction management plan, emergency response plans, post-construction avian monitoring protocol, a noise complaint protocol, and detailed, registered site plans that give certainty to the location of approved wind turbines that minimize impact on adjacent properties and address applicable site plan matters provided for by subsection 41(7) of the Planning Act.

In conclusion, council would like to make it very clear that while they support green energy initiatives in principle, they do not wish to see them implemented through a process that will in any way compromise the health and safety of persons and communities in rural Ontario.

Thank you for this opportunity to provide input on the proposed Green Energy and Green Economy Act of 2009.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns.

Mr. Peter Tabuns: Thank you for taking the time to put together the presentation and come to speak to us today. The conditions that you've set out for the wind turbine towers that you think should be recognized in the act: Have you put in place any similar requirements for radio towers or cellphone towers in your jurisdiction?

Mr. Michael Schnare: No, we have not. I think that the majority of those are exempt from municipal approval processes.

Mr. Peter Tabuns: You're aware that in Ontario about 10,000 people a year die from air pollution and that coal is a significant component of that?

Mr. Michael Schnare: We understand that there are definite health impacts associated with that type of energy generation, yes.

Mr. Peter Tabuns: Given the studies that you've looked at, would you say that the health impacts of wind power are in any way comparable to the health impacts from coal pollution?

Mr. Michael Schnare: In terms of sheer numbers, it may not impact the same number of individuals, but they're just as important if there are serious health effects associated with the generation of the electricity that could be mitigated by imposing appropriate setbacks, and the municipality would like to see those addressed.

Mr. Peter Tabuns: Are you aware of fatalities arising from the health impacts of wind power?

Mr. Michael Schnare: I don't believe that the documentation that we've been given to review has resulted in any fatalities directly associated with wind towers.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: You yourself in your presentation made comment with respect to different municipalities reaching different conclusions with respect to the appropriate setback. One of the comments that we've heard over a number of years is that as a result of those different setbacks and the municipalities seeing that the province needed to take a leadership role in helping examine the science, pull that information together and set a standardized setback for across the province to create strong, uniform standards, that was really incumbent upon the province. Do you agree that the province needs to assist in the establishment of what the appropriate setbacks would be?

Mr. Michael Schnare: That's exactly what council is looking to the province for leadership in. They do not feel that they have the expertise or knowledge to accurately determine what is an appropriate setback or not, and we believe sincerely that a health study that could look at what impacts have been generated to date would help assist in formulating standards that would clearly be safe standards. We don't know whether it's two kilometres or 450 metres, but what we do know is that perhaps somewhere in there, there is a number that will ensure that the communities and the residents that will be impacted by

these will have those impacts mitigated by the appropriate setback.

Ms. Laurel C. Broten: But we'll certainly—

The Acting Chair (Mrs. Linda Jeffrey): Thank you. We're out of time. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much for joining us today. I just want to touch on what Mr. Tabuns said. Almost all of the polluting gases from coal can be mitigated by current technology, and I think that we should be aware of that. CO₂ is not a polluting gas; it's a warming gas.

I do want to ask you about the fact that the minister has not responded to your resolution. When he speaks publicly, he speaks about saying, "I'm interested in looking at the health objections raised." I'm not a scientist or a doctor, so I can't speak to whether those are real or not, but I think it would behoove us to find out if they're real, and the minister seems to just dismiss it as being the vision of people who don't understand or something like that. When he speaks publicly, there are all these messages saying, "We'd like to look into that," but so far nothing has been done. Your resolution has not been responded to in any shape or form?

Mr. Michael Schnare: That is correct. We have not had a direct response. We had originally scheduled to meet with the minister at the recent ROMA conference and at the last minute I believe he cancelled all of his potential delegations, so we did not have an opportunity to raise the issue with him directly, which we had hoped we would.

Mr. John Yakabuski: I've just got one more question. On the issue of municipal authority, some municipalities have said that they see this as the thin edge of the wedge, where you'll have your powers usurped with regard to the right to determine whether or not someone can develop a renewable energy project in your community and, further down the road, municipalities will lose much more of their authority as a result of provincial government decisions. Would you care to comment on that?

1010

Mr. Michael Schnare: I believe that's a fair comment. I'm speaking for council here, but we have had several discussions on the matter, and I believe that there is a concern that this could be the thin edge of the wedge and lead to further erosion of local planning authority or local approval authority on matters, be it wind generation or power or other forms of electrical generation or land use considerations.

Mr. John Yakabuski: So much for local planning.

The Acting Chair (Mrs. Linda Jeffrey): Thank you very much for your delegation this morning.

Mr. Michael Schnare: I just would like to state that our council felt this issue important enough that they did attend today. So I just wanted that on the record, that our council is here.

The Acting Chair (Mrs. Linda Jeffrey): We appreciate you being here today. Thank you very much.

CITY OF LONDON

The Acting Chair (Mrs. Linda Jeffrey): Our next delegation is the city of London, Grant Hopcroft.

Good morning, and welcome. If you're all going to be speaking, if you could state your names, the individuals who are speaking, before you begin and whom you're speaking for. When you begin, you'll have 10 minutes, with five minutes for questions. Welcome.

Mr. Grant Hopcroft: Thank you. I'm Grant Hopcroft, director of intergovernmental and community liaison for the city of London. I'm joined today by Jay Stanford, director of environmental programs; Gregg Barrett, manager of land use policy; and Terry Grawey, senior planner for the city of London.

Let me start by welcoming the committee to the city of London and by thanking you for inviting the city of London to participate in the consultations on this very important piece of legislation.

To begin, the comments that we'll be making this morning were endorsed by our city council on March 30, and they have been registered on the EBR. We've recently, as a city, received applications for renewable energy projects, particularly bio-energy generation facilities, and we anticipate that there will be a significantly higher level of interest in developing new facilities over the next several years, in no small measure due to the stimulus that this piece of legislation will provide.

We support the general intent of the legislative changes that will facilitate development of renewable energy projects by providing new economic incentives to produce and feed energy into the grid and by streamlining the approvals process for renewable energy projects. We understand that you will be receiving—I believe it's tomorrow—a submission from the Association of Municipalities of Ontario, and we want to indicate that we support the recommendations in AMO's submission and we concur with the comments they'll be making.

We also support efforts that will remove constraints on alternative energy generation facilities and projects and will provide for expanded capacity and facilitate access to the grid. We also support the use of feed-in tariffs to encourage the installation of renewable energy systems. We support new standards that are being proposed to improve the energy efficiency of consumer products. The city supports initiatives that will encourage improved energy efficiency in older, inefficient building stock, and the review of the building code at regular intervals to ensure that new buildings incorporate energy-saving features. We also support the simplification of the grid connection systems for renewable energy generation systems to London Hydro's local distribution system. We further support the proposed requirement to construct new public facilities to meet the LEED silver rating, recognizing that higher upfront capital costs associated with the standard will be offset by annual utilities savings and productivity improvements. Those are the positive points.

We'd like to also raise some concerns with respect to the proposed legislation. First of all, it is unclear whether the proposed right-to-connect provisions will affect the current OPA-imposed transmission constraints—something with which, I'm sure, Ms. Mitchell is very familiar and has spoken to before—and, in particular, the orange zones and yellow zones in this area. The transmission system within these zones has limited or no ability to accept new generation from major renewable projects, and proponents willing to install renewable generation facilities within the London area using the new FIT program are restricted to microgeneration projects. If the new feed-in tariff is to have any effect on renewable power generation in southwestern Ontario in these constrained zones, the transmission system constraints must be addressed.

With respect to the proposed streamlining of approvals, if the province must be clearly defined in the legislation as the approval authority for the Planning Act, regulations should clearly identify provisions to ensure that municipal interests will be protected. Particularly, we need to be consulted further as regulations are unfolded that include but are not limited to servicing capacity improvements, required servicing easements, road access improvements and road widening dedications, protection of significant natural and cultural heritage features, site design elements and building orientation, hosting of security for the works that are to be undertaken, and parkland dedication requirements. We need to be satisfied that there's some mechanism in place to address these matters, and you'll be hearing from AMO that an administrative permit system needs to be established at the municipal level to ensure that these matters are addressed and that they are a condition of developments proceeding. Clarification is also required in the regulations on the requirements for giving of public notice and provisions relating to appeals of decisions by the approval authority.

In conclusion, we concur with the recommendations you'll be hearing from AMO. We support the measures in the legislation relating to energy conservation and efficiency, alternative energy generation and right-to-connect provisions. We have concerns with the streamlining of approvals for energy projects, and we recommend that the regulations provide for a specific mechanism such as an administrative permit system to ensure that municipal infrastructure, site standards and security requirements will be addressed, and that municipalities be consulted further prior to final adoption of any regulations.

We thank you for the opportunity to speak with you today and we'd be pleased to take any questions.

The Acting Chair (Mrs. Linda Jeffrey): Beginning with the government side: Ms. Broten.

Ms. Laurel C. Broten: Thank you very much for a very detailed and thoughtful presentation.

I'm wondering whether or not, in developing the submissions that you've put before us today, council members or others had an opportunity to engage with their constituents and whether that was the basis for the reflec-

tion of the submissions and the details being advanced by the city of London.

Mr. Grant Hopcroft: I will ask Mr. Barrett or Mr. Grawey to respond to that.

Mr. Terry Grawey: We had brought this forward to our planning committee at a public meeting for the committee's consideration and endorsement. The politicians, I think, in all fairness, didn't have an opportunity to go back and consult with the residents, but they did bring forward some of the concerns that they felt, which is what we reflected in the submission that was brought here today.

Ms. Laurel C. Broten: Over the years, the city of London and the residents of London have really taken a leadership role with respect to environmental issues, so I certainly commend the community on that. The opportunities that I've had to be in this community, we've certainly heard from individuals wanting to be part of green energy solutions, and we thank you for your very detailed submissions.

The Acting Chair (Mrs. Linda Jeffrey): Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much for joining us this morning, gentlemen.

You spoke briefly about the transmission constraints and the right to connect. So your concern is—you can elaborate on that, but I see it as being that if you're already under a stressed transmission system, it's pretty hard to ensure that any development will have a right to connect unless that transmission system is upgraded first. So you're at a disadvantage, then, with establishing projects within that zone, vis-à-vis someone who doesn't have the same constraints. Is that correct?

Mr. Grant Hopcroft: We're at a disadvantage now, because that transmission capacity does not exist and we know there are major projects that have not gone forward because of that lack of capacity. So if the legislation is to have the desired impact, that transmission capacity issue needs to be addressed, and addressed in the very near future.

Mr. John Yakabuski: Another thing that I didn't catch you commenting on in your presentation—I apologize if I didn't hear—is the home energy audits. You're maybe not definitive as to how you feel about them one way or the other, but if it has an impact—and we're hearing from real estate people that it could have a significant impact on real estate sales because of the confrontational nature of the negotiations should a mandatory home energy audit turn negotiations sideways. If it affects the real estate market, it's certainly going to affect the economy of a city like London. Have you got any comments, any feelings on that?

1020

Mr. Jay Stanford: If I may, it's a very important program. In fact, London has probably had upwards of 7,000 audits done to the end of 2008, and the average homeowner would have saved about 34% on their energy bill associated with that. That savings is quite amazing. It's probably \$1,000—

Mr. John Yakabuski: As a voluntary thing?

Mr. Jay Stanford: As a voluntary thing.

Mr. John Yakabuski: Somebody chooses that.

The Acting Chair (Mrs. Linda Jeffrey): Thank you, gentlemen. Mr. Tabuns?

Mr. Peter Tabuns: Thanks very much, and, Mr. Hopcroft, a pleasure to see you in person. I've seen your handiwork in the past and appreciated it.

Mr. Grant Hopcroft: Thank you.

Mr. Peter Tabuns: Can we have a hard copy of the presentation you made today?

Mr. Grant Hopcroft: It's really a summary of the discussions, but I can certainly give you my speaking notes, if that would be helpful.

Mr. Peter Tabuns: That would be great.

Has London done an assessment of the green energy or renewable energy potential that could be developed in the city and surrounding area?

Mr. Jay Stanford: We have not done a complete assessment, but right now we're currently reviewing between three and five applications. The constraints to do with the yellow and orange zones are probably the number one impediment to those moving forward. Our city has become extremely active in our whole green development strategy. We see our location in southwestern Ontario as a bit of a hub, if not the hub, for green energy for southwestern Ontario. We're ideally located.

Mr. Peter Tabuns: Are you developing a green energy economic development plan for London?

Mr. Grant Hopcroft: Our London Economic Development Corp. will be making some written submissions before the consultations are concluded. The short answer to that is that there has been a determined focus to try and bring more of that kind of development to the city. We see great benefit to it. We think we're well located strategically, in terms of the agricultural assets in the area, for that to occur in the future.

Mr. Peter Tabuns: Thank you very much.

The Acting Chair (Mrs. Linda Jeffrey): Thank you, gentlemen, for being here today. We appreciate it.

MUNICIPALITY OF CHATHAM-KENT

The Acting Chair (Mrs. Linda Jeffrey): Our next delegation is the municipality of Chatham-Kent.

Good morning and welcome. You have 10 minutes to speak. If you're all going to speak, if you could give us your names for Hansard before you begin. Once you begin, you'll have 10 minutes, and we'll be five minutes for questioning.

Mr. Randy Hope: First, let me introduce myself. I'm the mayor of the municipality of Chatham-Kent. Unlike London, we are the hub of the alternative energy source within Ontario, and especially in southwestern Ontario. We want to thank you for the opportunity to speak to you today and commend this government for its foresight and determination in the movement towards a greener, cleaner and more sustainable energy product and supply management.

The municipality of Chatham-Kent is a progressive advocate of alternative energy solutions. It has chosen to be on the leading edge of the new, sustainable next generation of energy technologies and has incorporated them into its strategic goals in the municipality. Chatham-Kent has a strong wind regime, and understands the growing national and international needs to develop green, sustainable solutions to our energy production and supply management.

Our actions reinforce this intent. Chatham-Kent is currently hosting seven approved projects, resulting in 124 turbines and a combined nameplate capacity of 250 megawatts of power. We have approval of two solar projects with a combined nameplate capacity of approximately 15 megawatts. These projects are in various stages of completion.

Our experience has allowed us to refine the local process and establish the best practices in this field. We have developed a trust relationship with the stakeholders and practical tools to address public interest. We urge you strongly to consider our recommendations and adopt our recommendations.

Today I'm accompanied by Ralph Pugliese, the director of planning services of the municipality of Chatham-Kent, and Tom Storey, principal of Storey Samways Planning, who will provide more detailed comments on the recommendations.

Tom?

Mr. Tom Storey: Thank you, Your Worship. It has been the experience of Chatham-Kent that the approval processes presently required under the Planning Act for renewable energy projects and, in particular, wind energy system projects can be effectively dovetailed with the environmental assessment process to provide a land use planning outcome more acceptable to the community and the proponent. This occurs in three ways: First, there are issues not addressed adequately in the EA process which are given the study necessary under the Planning Act; secondly, there are important issues not addressed at all in the EA process which are covered under the Planning Act; and lastly, the Planning Act process acts as a safety net for issues which may inadvertently be missed in the EA process. We've had significant experience with all three of those conditions.

Appendix B, which is attached to the document which we've circulated, provides a summary of those issues falling under one of those three categories described above. There are 17 in total. All of those issues listed are important to Chatham-Kent; however, the first four listed are fundamental in nature, and I want to talk a little bit more about those.

First of all, there's a cumulative effect that's noted in the introduction. We know that Chatham-Kent will be home to 124 turbines as a certainty, with another 165 turbines being proposed by three major wind farm developers and very likely to proceed. I would add on top of that, in appendix A, you will note that there's a total of 600 turbines representing 1,100 megawatts on the books at some stage of the pipeline in Chatham-Kent, which

represent 20% or more of the green energy requirements outlined by the OPA for this province.

In our review of other studies, it is apparent that the question of how many is too many has never been asked or answered. Is there a tipping point beyond which further development will seriously impact public health, migratory or nesting bird behaviour or some other issue which we haven't even yet discovered?

Secondly, growth management: It is generally accepted that wind turbines, through repowering, will last for 40 years. Boundaries around our settlement areas, whether they are our large primary urban centres or our smaller rural centres, are based on 20-year growth projections. The placement of turbines around—that is, within one kilometre of—these settlement areas will affect both the ability to grow and the direction of growth. It's important that municipalities be involved at the earliest stages of turbine siting to note where turbines may impact long-term growth of settlement areas. Furthermore, it's important that municipalities retain the approval authority, at least in our case, they now have under the Planning Act to ensure that official plan policies directing wind energy system proponents to the most logical location for their development are in place.

Municipal expense: At present, resources expended by Chatham-Kent necessary to appropriately review a wind farm proposal are covered adequately by the zoning application fee, which, of course, is authorized under the Planning Act. Without funding to properly assess wind farm proposals, which appears to be the case under the Green Energy and Green Economy Act, the municipality will not be able to interact, at least to the level that we'd like, with new approval processes, reducing the possibility of a favourable planning outcome.

Lastly, and most importantly to us, without question, is appropriate public and stakeholder consultation. This issue is easily the most important one. Quite simply, the best land use planning outcomes are a function of good processes. The best process is one which identifies all stakeholders—NGOs, government agencies, other wind farm developers, the general public, local communities, etc.—and provides forums for timely input. The EA consultation component, while effective to a certain point, is not nearly as rigorous as it should be.

The provision of a public sector meeting forum before council, as opposed to the one-on-one approach of public open houses used in the EA process, gives individuals the opportunity to present their concerns to their peers in an open forum and to have answers provided to those concerns.

This approach reduces uncertainty, and while the decision of council may not be to everyone's liking, at least they know that council was fully informed prior to making that decision. There's an appendix C attached which shows the typical issues list raised by various stakeholders for a wind farm project and how they were responded to. There are 19 items which we've had to address over time on that list. All of this information is made available to the public and council.

It should also be noted in issue 2, in appendix C, that council went to the extent of commissioning a report from our local acting medical officer of health to address alleged health concerns raised during the consultation. It should also be noted that issues 5 to 17 in appendix B were, in fact, identified and addressed through the consultation process we established under the authority of the Planning Act.

1030

Mr. Ralph Pugliese: Thank you, Tom, and Mr. Chairman, members of the committee.

Our main issue focuses on the provision of the proposed bill which exempts green energy projects and facilities as defined in the Planning Act and related processes. As the legislation is currently designed, the exemption effectively removes the ability of local government to have any meaningful and direct influence over the placement of green energy facilities within their respective jurisdictions. The only recourse left available to municipalities will be an arm's-length reaction to proposals in a process that is yet undefined. Citizens will look to local councils for leadership in protecting them from any real or perceived negative impacts resulting from the proposed green energy developments. This places municipalities in a reactionary position rather than a proactive one, easily resulting in an adversarial and less productive relationship between two levels of government.

Exemptions of green energy projects from the Planning Act approvals process will also eliminate any benefits currently being experienced. I've listed those in the brief. I won't go over them, but ask you to look at them.

For these reasons, the legislative framework and related regulations must be designed in a manner as to effectively enable authorities to investigate and evaluate the impacts and merits of proposed developments in an unfettered and inclusive public environment at the local level, where the impacts will be most felt. This allows for the resolution of issues in a manner that is sensitive to local conditions and circumstances. This is the philosophy that has been applied to Chatham-Kent and it has been successful.

In consideration of this approach, Chatham-Kent proposes the following alternatives, in order of preference.

Our first preference is that Bill 150 proceed as proposed, with the exception of the provision which exempts green energy projects and facilities from the Ontario Planning Act, and, concurrently, the province offer assistance to municipalities struggling with the introduction of green energy facilities in their respective jurisdictions. The current process has worked well in many municipalities across the province, as it has in Chatham-Kent. We believe it can work for those municipalities that are currently resisting the introduction of these types of facilities.

This alternative, however, will have a better chance of success with provincial involvement in promoting a clear understanding of the reasoning behind this provincial direction, along with a level of technical support that will assist stakeholders in understanding the technologies, im-

pacts, legislation and processes associated with these types of proposals.

We feel that this approach would maximize both provincial and municipal resources, resulting in a more effective approvals process and greater confidence in the final product.

Alternatively, Bill 150 should proceed as proposed, with added provisions that would allow the province to delegate approval authority to a local municipality which has met a predetermined set of criteria that demonstrates its commitment to green energy initiatives and its ability to deal with such proposals in an objective and comprehensive manner similar to current provisions found in the act.

The Chair (Mr. David Oraziotti): Excuse me, sir. That's time. But you get 30 seconds to wrap it up with any last, remaining comments.

Mr. Ralph Pugliese: All right. We urge this committee to look at these recommendations. Exemption will marginalize municipal and community involvement. I think it is very important in a decision-making process for significant and imposing land uses that will impact neighbouring activity, enjoyment of property, personal space and community at large.

The clear and better alternative for all concerned is to continue to allow municipalities to remain a significant part of the approvals process under the act, in combination with the environmental screening process.

Thank you for the opportunity to address this committee. We look forward to your final recommendations. We'd be happy to answer any questions that you have.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns is first up with questions.

Mr. Peter Tabuns: Gentlemen, thank you very much for the presentation—thoughtful. Have you had an opportunity in the past to talk to the minister about these issues and the proposals that you've brought forward?

Mr. Randy Hope: Yes, actually. We were involved in a pre-consultation with the minister and a number of different ministries through a conference call. Unfortunately, we weren't able to make it to Toronto. We were involved in pre-consultation with the minister's office, along with the Ministry of the Environment and a few other ministries that were involved. I can't remember all of them, but there was a large group of ministry folks who had pre-consultation with us on the issue of green energy and wind turbines in our community.

Mr. Peter Tabuns: And how did they respond to the arguments you made, which are pretty logical?

Mr. Randy Hope: Basically we haven't forwarded the arguments. Since the release of the act, we were trying to make sure that we had our stuff together while we're still dealing with current wind initiatives. We waited. We knew that the legislation would have to go before a committee of the Legislature and that's why we're here today to highlight some of the issues that we believe are very significant and important.

Maybe it might have been an oversight. We're hoping that was the case because Chatham-Kent, if you clearly

look at the direction we're going—wind alternatives, solar alternatives—is the leading force and we are listening to the public. Not everybody's going to agree with what we do, but the important thing is that we are listening to the general public. We're closest to the source.

Mr. Peter Tabuns: I don't know if you're aware, but Dr. Hermann Scheer, who pioneered the feed-in tariffs in Germany, supports your position. In his book, *Energy Autonomy*, he sets out the need to maintain municipal input and control at the local level, and you might cite that in your further discussions of this matter.

Mr. Randy Hope: We've had some people from New York state come and visit us because they were caught in that dilemma where there are upper governments making decisions and, as a local council, they have no authority. So they actually came to visit me and meet our planning department to get a better understanding of where we're going and how we're handling the matter.

The Chair (Mr. David Oraziotti): Thank you. Ms. Broten?

Ms. Laurel C. Broten: Thank you for your thoughtful and detailed presentation. I'm taking a look at the appendix C that you've provided to us, which is the matrix of the list of issues. As I review this list, I see that there is, in my view, a strong role for the Ministry of the Environment and the Ministry of Health to help municipalities manage a number of these issues in terms of the ability of an upper level of government to collect information, manage scientific data. And that is what we have heard over the years from municipalities that they did with respect to a patchwork on setbacks or examination of the studies on shadow flicker or a variety of issues.

Do you think that the Ministry of the Environment and the Ministry of Health, in taking a higher level of leadership role, can provide necessary information to assist in the work that you do?

Mr. Randy Hope: The key word that I believe you touched on is "assist," not take over. I'll let Ralph talk more about the matrix that we have in front of you, but I think our emphasis is that we're looking for support, not to be taking over a jurisdiction of ours or a responsibility of ours; to allow the people of our community to speak very openly and to make sure that we're trying to address the issues, because it is important. We must make sure we're dealing with the health issues.

Ralph, do you have any elaborations to the appendix?

Mr. Ralph Pugliese: I concur. That's very true. Our experience has been that people are searching for information. This is not a perfect science. There is not an answer to everything. So we do what we can at the local level to get the information. As Tom mentioned in his presentation, we've gone so far as to have our medical officer of health involved. However, your observations are true to form because assistance from the Ministry of the Environment, and perhaps a more rigorous approach from the Ministry of the Environment in that respect, as well as the Ministry of Health, would help us.

Ms. Laurel C. Broten: Do you think that every municipality has the level of capacity that you've demonstrated today to manage these issues?

Mr. Ralph Pugliese: That is part of the problem, and that's what we're trying to present in our brief—that many don't. We at Chatham-Kent get calls to assist and it's from municipalities that perhaps would like to have more information and more of this type of support.

Ms. Laurel C. Broten: Thank you for your submission.

The Chair (Mr. David Oraziotti): Thank you, Ms. Broten. Mr. Yakabuski?

Mr. John Yakabuski: Thank you, gentlemen, for your submission. I apologize: I had to step out, so I'm not going to ask any questions because I didn't get to hear the brief. I will read your submission and if we have any questions, perhaps we could contact you directly at a later time. We do appreciate you joining us this morning.

Mr. Randy Hope: Most definitely. We're here to work with the committee and work with the government of the day. Mr. Crozier is well aware of it, as he's just down the street from me. I think it's very important that we've had support and we want to continue that working relationship—alternative energies in our communities.

The one other thing which I wanted to do—unfortunately a number of our corporations, especially Chatham-Kent Energy, were not able to be before the committee, but I have a presentation as Chatham-Kent Energy. The municipality is a major shareholder in that corporation, and I do have a submission which I wish to present to the clerk on behalf of Chatham-Kent Energy, which is a subsidiary of ours. We want to make sure that we present this to the committee on their findings to show the level of support that Chatham-Kent Energy has towards the green act and making sure that we can move Ontario forward. I'd like to present this to the clerk for the committee's reference and also ministry staff's perusal to make sure of the recommendations that are coming forward.

1040

The Chair (Mr. David Oraziotti): Thank you very much. We're happy to take the submission. We appreciate your time this morning and your presentation.

Mr. Randy Hope: Thank you very much for the time.

OXFORD WIND ACTION GROUP

The Chair (Mr. David Oraziotti): Our next presenter is the Oxford Wind Action Group, Joan Morris. Good morning, Ms. Morris. Welcome to the Standing Committee on General Government.

Ms. Joan Morris: Thank you. I have two other members who will join us here at the table as well.

The Chair (Mr. David Oraziotti): You have, as you know, 10 minutes for your presentation. There will be five minutes for questions from members of the committee. Anyone who will be speaking or responding to a question, perhaps, please state your name for the recording purposes of Hansard so that we have a record of that. You can start by stating your name and begin when you're ready.

Ms. Joan Morris: Okay. Thanks for the opportunity to come before you here today. My name is Joan Morris and I'm representing a group of folks here from Oxford county.

It is our impression that the Green Energy Act, as it's currently proposed, has some aspects to it that threaten the preservation of land, threaten our agricultural livelihoods and encourage technologies that put health and communities at risk.

This is just an opening statement. We hope that the committee can be open-minded and take this information very seriously. It's our opinion that few things are as frightening as governments that don't want to be confused by the facts because their minds are already made up. We're really hopeful that the committee and our provincial government can set aside any preconceived notions of renewable industrial energy projects and listen to the residents of rural Ontario regarding some of the impacts.

We are not NIMBYs. We're here before you because we want to preserve our livelihoods, and our livelihoods are producing food for Ontario. The Green Energy Act, as it currently stands, has the potential to impede our ability to produce food due to some of the impacts on human and animal health, land use and the cost of production that we will incur as a result. May you be reminded, please, that only 7% of all of Canada's land is suitable for agriculture. Over half of the class 1 agricultural land in Canada is located right here in Ontario. We need to keep in mind that we need to keep this land for agriculture.

It's not just the footprint that industrial energy projects produce; lands are expropriated for roadways, associated equipment and structures and transmission lines. The reality is that large tracts of lands will not be returned for agricultural use in reasonable amounts of time, if ever, and the future use for livestock operations may also be impacted, depending on the locations of these projects.

There are some misconceptions. Some people do contend that the Green Energy Act, as it currently stands, is good for farmers, but we would like to offer another view on that. We feel that that view is very short-sighted. The reality is that there's no guarantee for farmers when it comes to their own projects to improve their own operations. The industrial projects are taking the potential grid connections, and most of the local initiatives that have been proposed have been redlined because of the dominance of industrial wind taking the available space on the grid.

Turbine placement on lot lines might seem like a good idea, but it infringes on neighbours' rights and potential agricultural development. One of the things we would also like to follow up on with the previous speakers is the fact that removing local planning from the process could be a very dangerous situation. Who will ensure the protection of prime agricultural land, our specialty crop areas and local environmentally sensitive areas?

Adverse effects are being seen on animals. Some of you may be familiar with some of these families. Here's

an example right here of a family right in the Huron-Bruce area who have been driven out of their agricultural operation of beef farming due to some of the effects of the wind energy project that was located close to their farm. Effects in dairy cattle are well documented—and I'll talk more about electrical pollution issues in a moment. Effects have been seen in other animals as well, horses. These are real effects that threaten our livelihood of livestock production.

Electrical pollution is real; it's not a myth. Some people refer to it as stray voltage. These issues affect rural residents and their animals daily. Historically, there has been no adequate response from the government or the Electrical Safety Authority. Instead, projects are being encouraged which compound the problems in a situation where our grid is not equipped to handle the current issues.

One of the reports that has been provided to you as part of the documentation that was given is from Kinectrics. Kinectrics is a group that has expertise in electrical transmission. It was spun off from Ontario Hydro. These are scientific, engineering and research-and-development-qualified individuals. This report was directed specifically at stray voltage, dairy farms and wind generators. The recommendation was to use a five-wire distribution system, to redo the entire distribution system in rural Ontario.

Our question is, who will pay for this? The Green Energy Act, as it stands now, will defer costs to ratepayers that have previously been incurred by energy companies. Who is going to pay for this? How will it affect us as farm families? In addition to the FIT cost of 13.5 cents per kilowatt hour, these are going to have significant impact on our financial viability.

The Green Energy Act does not address any of the issues that are currently occurring with respect to electrical pollution. Barns and livestock need to be considered sensitive receptors, and electrical pollution needs to be included as an exposure of concern in any of these projects. There are effects. There are effects on health, health of people, and on technical farm equipment. This isn't a case of electrical problems just affecting a microwave or a fridge; these are dairy farms with highly technical computerized equipment. They could ultimately affect production quotas and our marketable products: milk, eggs and meat. Quality of soil can be impacted by some of these projects with compaction issues. Manufacturing equipment can also be damaged. Who is going to be responsible and accountable when significant health and financial losses occur?

I'm an epidemiologist, and I'm very concerned also about public health issues and community health. My post-graduate education is the same as the medical officers of health in this province. Public health principles dictate that if there is a reasonable apprehension that the public may suffer adverse health effects from an industrial activity, then steps should be taken to avoid it. The same principle applies in approving and zoning development under the Planning Act.

Studies have been requested. At this point, they've been denied. We've asked on many occasions for studies to be conducted. The government has been reluctant. Literature reviews, like the one conducted in the Chatham-Kent area, are certainly not enough. As an epidemiologist, if you called me in to look at an outbreak of disease like in Walkerton, you wouldn't want me to sit there with books and review literature; you would want me to look at the real people and what's really happening. Why is this not happening our province right now? Those requests have been ignored.

Instead, the government and the proponents are too busy claiming there is no peer-reviewed documentation. Let me take you through an example of peer review. The definition of peer review is a professional evaluation of a colleague's work. People are very quick to discount Dr. Nina Pierpont. She's one of several who have expressed concerns. Peer review for Dr. Nina Pierpont has been done by several epidemiologists and specialists in ear, nose and throat disorders, neurology and pediatrics. Why are people saying that there's no peer review? That's an absolute lie. It's just not true.

Where is the peer-reviewed medical research confirming that wind turbines do not cause health problems? We haven't found that yet. Literature reviews are not going to suffice. We need some action to happen to protect our public health.

The public health unit of Grey and Bruce counties has actually written a letter to Stephen Harper supporting some of the initiatives that have been suggested by other municipalities and endorsing a resolution of Prince Edward county. We need proper health studies to be done before these projects proceed.

What is a proper study? Why are some of the acoustical consultants indicating that there are no problems causing health effects? Dr. Leventhall, for example, is not a medical doctor. How are these individuals qualified to assess human health?

Here's an example of some of the problems that exist in our current system: When we asked the Ministry of the Environment what the requirements are for someone doing a noise assessment, asking if it's a professional engineer who's required, they said, "No, they need to be prepared by qualified acoustical consultants." So we asked, "What is a qualified acoustical consultant?" They said, "There is no professional organization to our knowledge that qualifies an acoustical consultant." Now it's assumed that if an individual or company designates themselves as a qualified consultant, we accept the designation. These are people who are supposed to be protecting our health and our environment, and that's very concerning.

1050

Why are government agencies not investigating, why are they not informing themselves regarding these health effects and why is the government knowingly placing rural Ontario residents in harm's way? Until these issues are resolved, why are we proceeding so quickly with this Green Energy Act in its current state, which does not

address the current problems and does nothing to promise addressing them in the future? As it stands, it does not protect our agricultural land or our livelihoods. Industrial wind projects are threatening agricultural communities and our health—and the health of our animals. How can you and how will you, as individuals, impact on Bill 150 in order to protect Ontario citizens and our agricultural communities? Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. We'll stick with our regular rotation here. Mr. Tabuns, you're up for questions. If you'd like to go ahead.

Mr. Peter Tabuns: Thanks very much for coming this morning. Thanks for making the presentation. Is your concern primarily with wind turbines, or do you feel the same health concerns around biogas, solar—technologies along those lines?

Ms. Joan Morris: I'm not qualified to talk too much beyond what I've researched in terms of wind turbines. I think, as an agricultural community, we would also be concerned about projects such as solar taking up our land mass. So certainly making sure that those are appropriately situated so that they don't jeopardize agricultural operations would be a consideration. As far as any health impacts, I'm not aware of any reported issues with those, so from the health perspective, there are no concerns agriculturally.

I think one of the things that we also want to indicate is that we're not against small projects. We will be very supportive of small projects that would help individual farmers to produce their own electricity. It's unfortunate that the Green Energy Act, in its current state, doesn't give the edge to those farmers. We don't feel that they've been given enough of an advantage to make that a viable option. We're afraid that that's not something that will be realized.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Thank you. Ms. Broten.

Ms. Laurel C. Broten: In your presentation, I would assume that you believe that the province is in a better position than local municipalities to assess some of the larger-scale studies and scientific analysis. Do you think that there's a role for the province to upload that responsibility and undertake analysis with respect to setbacks and things that the Ministry of Health and Ministry of the Environment could look at?

Ms. Joan Morris: I agree that there are aspects that probably should be uploaded in terms of proper guidelines and regulations, but as I noted to you towards the end of that presentation, the current guidelines and regulations don't appear to be sufficient. We have people giving approvals for noise, for example, who may or may not be qualified. The current system is not working from the uploading standpoint, and so if the government were to put in place proper assessments based on health, based on all of the existing information that's available and based on proper studies, then that might be reasonable, but I don't think that we've done that yet.

Local municipalities are in the best position to determine land use decisions, from our—

Ms. Laurel C. Broten: But you know that this act is seeking to upload with respect to approvals?

Ms. Joan Morris: Yes.

Ms. Laurel C. Broten: Okay. Are you familiar with the extensive studies that have been undertaken that analyze the negative health effects of coal use and air pollution, and the negative effects of that air pollution to our agricultural lands and to crop yield? Have you looked at that body of work?

Ms. Joan Morris: That's not an area of work that I have looked at, no—not personally. I am aware, however, that the impact of coal-generated electricity and other fossil fuel generating is actually not the largest component of our air quality issues and some of the impacts that are being imposed on our environment. Many of those impacts that we see in Ontario are not necessarily from Ontario, so I think we need to be realistic. That's my personal opinion: I think we need to be realistic about what this is going to do for us.

The Chair (Mr. David Oraziotti): Thank you. That's time for questions. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much for your presentation. I really appreciate that. Just into Ms. Broten's point, I don't think anybody has any expectation that wind is going to replace coal. We've got 6,500 megawatts of coal. We might be getting off coal, but wind's not going to replace it. At a 20% reliability factor, which is the best you're going to get, you'd need over 30,000 megawatts of wind installed in Ontario to replace coal. So I think that that's a moot argument.

I do want to ask you, when she talked about the provincial over the local, why would we expect that if the province, which would have the authority to do some epidemiological studies and has been encouraged to do so by you people and people like you—as I say, I have no ability to make a judgment on that, because I don't have the scientific background. But when this message is being driven to the government over and over again and the minister gets up and says, "There are no peer reviews," and there's this, there's not that, they seem to be dismissive when it comes to it.

I often hear the NDP talk about the precautionary principle when they're talking about nuclear or anything else. Would the precautionary principle not apply here, that if you do have a concern, maybe we should be looking at that and at least get some answers? Because I can't give you the answers.

Ms. Joan Morris: Well, we've asked every MPP in this province to try and help us out in making that happen, but so far it seems to be a difficult struggle. I'm really concerned. It's not just my family; it's a community health issue. It definitely is.

Mr. John Yakabuski: Thank you very much for your presentation. I really appreciate that.

The Chair (Mr. David Oraziotti): That's all the time we have for questions and your presentation, so thank you very much for being here today.

WIND FARM ACTION GROUP

The Chair (Mr. David Orazietti): Our next presentation is from the Wind Farm Action Group, Patti Hutton.

Good morning, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members of the committee. Just state your name for the purposes of recording Hansard, and you can start when you like.

Ms. Patti Hutton: My name is Patti Hutton, and I'm speaking for the Wind Farm Action Group in Bruce County.

I would like to talk about health and our rights. Bill 150 is encouraging the placement of industrial wind turbines anywhere in the province without involvement of local municipalities. The provincial government would establish the rules, and no local municipality would be able to stop the progress.

I want to talk about democracy first. Municipalities, communities or individuals often resist industrial wind power installations for many reasons: health and safety concerns, noise, disrupting wildlife, migratory routes and disrupting pristine woodlands, or for the simple reason that they upset the beauty of the landscape with very little ecological gain.

Be it rural Ontario or our great forests in northern Ontario, no matter where we live, most of us love and are proud of the natural beauty of our province. When I think about the environment, I think about my environment in Ontario. I think responsible stewardship means protecting what is lovely and natural. It seems perverse to ruin the landscape in the name of preserving the environment. Bill 150 is detrimental to our environment.

The issue is, how much do we improve the environment by producing some 2% less carbon using 25,000 megawatts of wind turbines? This, compared to the reduction to the environment where people live. By putting wind turbines too close to people so that they can no longer live in their houses, have to vacate them and move into new homes in the city, my guess is that the balance shows very little gain from wind turbines and a very real loss to the rural people.

1100

I resist this Bill 150. To deal with this resistance, the Green Energy Act proposes streamlined regulatory and approval processes that enable the rapid but prudent development of green energy projects across the province, reducing uncertainty in transaction costs to all involved. In simple terms, this means we no longer have a voice.

It's important to realize that local scrutiny is often the only scrutiny that a wind project gets. Unless the public complains, no one ever looks at the environmental screening report of the wind company.

This bill takes away my civil rights to protest any energy or infrastructure project. This bill strips the right of my municipality to control local planning of where such developments will be sited.

To meet the goals set out by the Green Energy Act, Ontario will have to build tens of thousands of these massive turbines, linked by a vast network of electrical transmission wires. Visualize the prominence of thousands of wind turbine structures put up all across Ontario without any scrutiny by local planners. Visualize the vast network of electrical transmission wires strung all over the province without any local scrutiny.

I live in the municipality of Kincardine, where the Enbridge industrial wind turbine development is located. We live on a 100-acre farm. The wind development has 115 massive industrial turbines all around my home and my community. We are also neighbours with the Huron-Kinloss municipality, which has a substantial Suncor industrial wind turbine development.

I was opposed to the Enbridge 115-industrial-wind-turbine development for many reasons: health, safety, noise, wildlife, migratory routes, the use of agricultural land for industry, as well as the simple reason that they ruin the beauty of the landscape.

The municipality of Kincardine supported the wind turbine development, and the municipality played a role in the planning process with Enbridge. In this new bill, the municipalities will not have a say as to the placement of wind turbines.

A group of concerned citizens in our area raised money for a planner, a meteorologist and an acoustical engineer, and had an OMB hearing to appeal the Enbridge project, providing rationale and facts as to why we did not think the project should be allowed to proceed.

The sad thing was that the OMB chair could not make a decision, so he deferred to the MOE. The MOE guidelines were insufficient and resulted in turbines too close to people's homes. Worse, the MOE permitted turbines at a greater density than their guidelines would permit, because they allowed the company to go around the MOE guidelines.

The main message here is that we had the civil right to question and to have an OMB hearing. If this bill passes, the people in Ontario will lose this civil right.

Did you know that there are 29 municipalities, including five complete counties, in Ontario that have a moratorium on future industrial wind developments? The list is long and growing, and I actually had to update it again this morning. It will be provided to you as a hand-out, at the back of your document.

These 29 municipalities and counties are requesting the provincial government to conduct health studies regarding the safety of living close to turbines, in order to determine the long-term noise and health effects. They are also requesting tougher standards for noise measurements from wind turbines. I think that speaks a lot for what the people of Ontario think of Bill 150, as well as the importance of health and safety studies that are now being requested from the government by these forward-thinking municipalities.

Very disturbing is the fact that our people in Ontario who live close to wind turbines are experiencing health issues. In the municipality of Kincardine, where I live, at

the Enbridge wind project, 115 wind turbines have been in operation for about four to five months. The residents are already experiencing sleep deprivation, loud noise in and outside of their homes from the gigantic blades constantly swooshing, headaches, anxiety, ringing in the ears, and a lack of peace and tranquility that they had once enjoyed on their own property.

In Huron-Kinloss, the Suncor wind project has been in operation for about 15 months. The people there are having severe health concerns. Many letters to identify these health concerns were written to our government with no response in five months. People are experiencing sleep disturbances, sleep deprivation, the sensation of their skin crawling, humming in their head by their ears, ringing in their ears, headaches, loud noises—again, in and outside of their home with the gigantic blades constantly swooshing—heart palpitations, digestive problems, nosebleeds and an increasing severity of not feeling well. After five months of severe symptoms, these people, our folks who live right here in Ontario, begged for sleep and were billeted at a hotel in the town of Kincardine at Suncor's expense. Are these the kinds of solutions that rural Ontarians can expect from a government who has forced these unacceptable living conditions on innocent taxpayers?

In the Shelburne wind turbine development, people are also suffering with health concerns—sleep disturbances, sleep deprivation, again the loud noises with the constant blade-swooshing, headaches, anxiety—and a loss in property value. Real estate has told them that their home and property is worth nothing; nobody would want to live there. These are real people and these real people live right here in Ontario. The Green Energy Act will further compromise the health and safety of the people of Ontario.

The 29 concerned municipalities and counties in Ontario adopted a resolution that requests federal and provincial support to look into the potential ill effects on people living near wind turbines. This resolution specifically requests necessary resources for scientific research into low-frequency noise and electromagnetic disturbances created by the wind turbines and asks government to create a set of guidelines to regulate wind energy developers who are interested in setting up in Ontario. The resolution has been distributed to the Ontario ministries of health, the environment and energy, and to Environment Canada, Health Canada and all provincial and federal politicians.

We now ask for health studies, but why are these industrial wind turbines exempt from full environmental assessments? Who is protecting our right to live safely on our own property? It's certainly not those who continue to support no environmental assessments for alternative energy projects within this bill. I recommend that we continue to allow municipalities self-governance over local planning issues. They are our immediate elected officials and they should be responsible for project decisions affecting local residents. Such heavy and weighty decisions should keep our local government in the loop

and in control. After all, the projects will affect local people.

I believe that this is the time for our government to question the fairness, efficacy and rationality of the green agenda. I do, and that's why I'm here today.

You'll note that on the back of your handout are the 29 municipalities and counties that are requesting that health studies be done.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Ms. Broten.

Ms. Laurel C. Broten: Well, first of all, Patti, thanks for your presentation. One of our presenters earlier today talked about the importance of negotiating benefits for the local community to facilitate the acceptance and the willingness of a community to host a wind farm. Have you observed, in the work that you're doing in your community, any differential response or level of concern associated with those who are receiving direct benefit from having entered into or negotiated independently a contract, as opposed to those individuals who do not have a contract for the placement of a wind turbine on their land? Have you observed any differential perspective in terms of that acceptance or benefit?

Ms. Patti Hutton: There are people who hosted wind turbine developments in our area who wish now that they hadn't. Is that what you mean?

Ms. Laurel C. Broten: Well, somewhat. My question is about the importance, I think, of submissions that we heard earlier with respect to when communities host a wind farm, for example, they want to see some local benefits in their community, whether it's a rec centre or something like that. Has that been an issue in your community?

Ms. Patti Hutton: I haven't seen Enbridge create any really big things for the community, not nearly as much as Bruce Power participates in our community.

Ms. Laurel C. Broten: Okay. Thank you.

1110

The Chair (Mr. David Oraziotti): Thank you, Ms. Broten. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Patti, for joining us this morning.

I think it's a fair question: Would the Minister of Energy want all these massive powers he has under this bill if he ever thought there was going to be a—it's okay when you're going to put the turbine somewhere else. We all know that there will never be a wind turbine built in Rosedale.

But I want to ask a what-if question. Again, I always have to preface this by making it clear that I have no training whatsoever to be able to make any determinations as to the health concerns or lack thereof of wind turbines. I would never pretend to have that background. But let's just say, "What if?" and hypothesize for a moment. Let's just say that four years from now—five, whatever—it was determined that there are proven adverse health effects if these turbines are within distance X and it was ruled that they had to cease functioning. That

wouldn't make a very good investment, if you had been the people who built those turbines. It would make for a very poor investment, so you would think that proper planning would want you to make those determinations ahead of time to be sure that that could never come back on you. Don't you think that would make sense?

Ms. Patti Hutton: That would make sense.

Mr. John Yakabuski: Why wouldn't the government, if it wanted to plan this in the most efficient way possible, eliminate this as an issue before proceeding? Have you gotten any response from the government on that kind of thought?

Ms. Patti Hutton: No, and personally, we have provided the government with a lot of information from European countries as far as the efficiency in shutting down coal. Shutting down coal has not happened in Denmark, for example—

Mr. John Yakabuski: They're building new plants in general.

Ms. Patti Hutton: Yes. Germany has 20,000 wind-mills and they are building more coal. So if eliminating carbon emissions is part of this bill, that is not true; that will not happen. We should be putting scrubbers on the coal plants, because the coal plants are going to continue to run.

Applause.

Mr. John Yakabuski: Thank you very much for your presentation. I appreciate that.

The Chair (Mr. David Oraziotti): I'm sorry; there was a question from Mr. Tabuns. Just before Mr. Tabuns continues—Mr. Tabuns, just a moment, please—we're happy to have audience clapping or applause perhaps at the end of the presentation. I'm going to mention this because in the middle of questions, when people are giving answers or questions are being asked, if you're clapping, Hansard is not picking up what is being said, so it's not being recorded officially and it's problematic for the record. So we want your information and we want to hear it. I would just ask that you perhaps wait until the end of the presentation to give your applause.

Mr. Tabuns, go ahead.

Mr. Peter Tabuns: Thank you, Chair.

Patti, thanks for your presentation today and thanks for all the work that you've done pulling things together. One question I had: You refer to electromagnetic disturbances created by the wind turbines. Could you tell me, are you proposing that these are unique to wind turbines?

Ms. Patti Hutton: From the information that I have read, that is unique to wind turbines.

Mr. Peter Tabuns: And how is it different from electromagnetic impacts that come from other generation sources?

Ms. Patti Hutton: I'm not sure. I don't have the answer to that.

Mr. Peter Tabuns: Okay. That's all I wanted. Thanks very much.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

LOCAL INITIATIVE FOR FUTURE ENERGY CO-OPERATIVE INC.

The Chair (Mr. David Oraziotti): Our next presenter is the Local Initiative for Future Energy Co-operative, Linda Laepple.

Good morning. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions among members. Whoever will be speaking, or if you're responding to questions, please state your name for the purposes of Hansard, and you can begin when you like.

Ms. Linda Laepple: Thank you for the opportunity to present and comment on the proposed Bill 150, the Green Energy and Green Economy Act. My name is Linda Laepple. I am a full-time farmer and co-founder and current president of Local Initiative for Future Energy Co-op. With me is our co-chair, Yvonne Zyma.

We are a community-based renewable energy co-operative located in Wilmot township in the region of Waterloo. LIFE Co-op's mandate is to foster community investment in sustainable resources to reduce our environmental footprint. Our membership consists of local farmers, landowners, business people and members of the community. We started out five years ago and came together to find win-win situations in sustainable energy development. All management and day-to-day operating tasks within the co-op have been done so far by members and board members on a volunteer basis.

LIFE Co-op is in the feasibility stage of two renewable energy projects: wind and biogas. For our wind project, we are considering a Canadian-made turbine that will be manufactured locally. Our feasibility study recently received funding from the Community Power Fund, founded by the Ontario Sustainable Energy Association. We have also developed a unique co-operative ownership and management model for biogas projects which will connect urban and rural stakeholders.

With my roots in Germany, I have quite a bit of experience with what standard offer contracts do to an industry like the biogas industry and also with the wind projects. The standard offer contract here gave us encouragement and hope; however, we met with barriers and frustration at every stage of the development. In an attempt to raise funds for our project, we had filed an offering statement one and a half years ago, and it was not approved by the Financial Services Commission of Ontario, partly due to the fact that we are a renewable energy co-operative. We are very glad that the Green Energy Act has addressed this issue. We sincerely hope that the Green Energy Act will remove barriers to community-owned renewable energy projects such as ours.

LIFE Co-op's main barriers were and still are financing and capacity building, zoning and permits, and feed-in tariffs. With this in mind, there are several key points we would like to comment on in the proposed Green Energy Act.

Financing and capacity building: We would encourage the funding of organizations to assist start-up, commun-

ity-based renewable energy projects—community-based because we are sensitive to the concerns of our communities. Simplified access to low-cost funding sources is necessary for projects such as ours to move forward.

Zoning and permits: We would recommend the introduction of a streamlined application approval system for small renewable energy projects. Regional official plans might include pre-approved areas where community-owned projects are welcome. In the region where I came from in Germany, near Stuttgart, they have pre-approved areas where the developers know, or the community knows, they can put up a wind turbine without any hassles. Local distribution companies should also be required to publish available capacity and preferred connection points, and provide simplified interconnections.

Feed-in tariffs: We support the recommendation by the Green Energy Act Alliance that the Green Energy Act must be accompanied by regulations and directions that fulfill the bill's promise. In their analysis of Bill 150, they state:

“—Tariffs must be simple, comprehensive, and transparent,

“—Provide sufficient price per kilowatt-hour to drive development and manufacturing,

“—Provide contract length sufficient to reward investment,

“—Be differentiated by technology, size, and resource intensity,

“—No cap on project size and overall FIT program....”

As an example, a tariff of 80.3 cents per kilowatt for solar is proposed but limited to 10 kilowatts per home in urban areas. They should be extended to 30 kilowatts in all areas, but rooftop only, so schools and town halls could be included and to make it worthwhile for community groups to invest in it.

1120

Livestock farmers, who are generally heavy electricity users, particularly during peak demand times for barn cooling purposes, should be able to connect up to 50 kilowatts solar and benefit from the same tariffs as urban dwellers.

Everyone should be able to use the electricity themselves but still be paid the feed-in tariff. This is part of the new German renewable energy act.

Renewable power on farms would reduce the risk of loss of animals during power outages and stabilize the grid in rural areas. On a hot summer day, it's usually 50,000 broilers that are in one barn. If the power is out, they can all be gone, and it happens every year.

To summarize, communities and farmers have to be able to come together to find win-win situations. To write policies and sound tariffs will allow whole communities to succeed in renewable energy development. When non-renewable energy sources are exhausted, we'll still be able to farm and feed ourselves.

Thank you for your time and attention.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Yakabuski, questions?

Mr. John Yakabuski: Thank you very much for joining us today. There's no question that anybody who's going to have the possibility of having a renewable energy project on their farm could benefit by it, because they could be selling the power.

I have a lot of interest in biogas because that's dispatchable. We can control it. It's there at our behest. Other forms, which are not dispatchable, I think are a little more problematic.

One of the things that we're all concerned about, too, is the price of power. I know anybody who has a solar project would like to be getting 80.2 cents, but, as a consumer, they wouldn't want to be paying 80.2 cents. We know that's not going to happen because we know it's going to be limited, but the price of power does matter to people and the amount that we put in at higher prices than what we generate today will affect them. Do you have any comments on that?

Ms. Linda Laepple: The price of power is high in general during peak demand. I don't know what OPA has to pay for the power that is imported during peak demand. It would level that out, and the solar power would only be a very small fraction of the overall power in general. So it would not impact very much the overall price.

Mr. John Yakabuski: Thank you.

The Chair (Mr. David Oraziotti): Mr. Tabuns?

Mr. Peter Tabuns: Thanks very much for the presentation and for taking the time to come to speak here today. This is an issue that came up in Sault Ste. Marie, and I'd like your commentary on it. You suggest that the price for rooftop-generated solar power continue to be higher than power generated at ground level. We had a solar developer yesterday talk about the need to have a higher price at ground level because he said in fact it's more expensive for us because we have to put in footings, metal framing, whereas with roofs, we can line them on the roof. Can you tell me why you think there should be a differentiation between the two prices?

Ms. Linda Laepple: It's a matter of land use. The roofs are there anyway, but you should not use up land to put solar projects on. This is what my experience is. In February I was in Germany. There's hardly any south-facing barn roof left any more. They have companies that trade solar roofs or people can post if they have a roof available for lease and people can look where there is. For 80 people posting their roof, there were 1,500 investors wanting to lease barn roofs.

Mr. Peter Tabuns: Thank you. That's very clear.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: Thanks for your presentation. I want to focus in on the issue with respect to the reference you make to the new German renewable energy act and the ability to use the electricity in priority. Is that what the act establishes, that if you have solar panels on your barn, you have access to that electricity? What you don't use, you sell into the grid and you continue to have priority access to that electricity if the grid goes down. Is that, in a nutshell, what you're saying?

Ms. Linda Laepple: Yes, but it is monitored how much it will be producing and you get the price for the whole production.

Ms. Laurel C. Broten: And does that reduce the price per kilowatt paid under the feed-in tariff so that you have priority access? Is there sort of a premium if you're willing to put it all in and less of a premium if you want to take it for yourself as a priority?

Ms. Linda Laepple: No, no. It's the same.

Ms. Laurel C. Broten: Is that a new issue in the most recent German renewable energy act?

Ms. Linda Laepple: Yes.

Ms. Laurel C. Broten: Okay. So we'll have to see how it plays out in terms of a community perspective of paying a high price, but then the individual who has it getting first priority to it may ultimately have some concerns.

Ms. Linda Laepple: Yes, because there's a big movement towards zero-energy homes. There are thousands of them, virtually. They just want to prove that they have produced their own power.

Ms. Laurel C. Broten: Okay. They have a lot of years ahead of us in the energy game, though; right?

Ms. Linda Laepple: Yes.

Ms. Laurel C. Broten: Okay. Thanks so much.

The Chair (Mr. David Orazietti): Thank you very much for your presentation.

RENEWABLE ENERGY SYSTEMS CANADA

The Chair (Mr. David Orazietti): Our next presentation is Renewable Energy Systems Canada, Nicolas Muszynski.

Good morning. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions among members. Just state your name for the purposes of recording Hansard, and you can begin your presentation when you like.

Mr. Nicolas Muszynski: Perfect. As was announced, my name is Nicolas Muszynski. I work for a company called Renewable Energy Systems Canada, or RES Canada. We're both a developer and a contractor for wind farm projects in general. We also work in a number of other renewable energy systems, but as the wind industry has been the most prominent in the last few years, that's been our main focus over the last years. We've been in the renewable business for the last 20 years and are currently working on two projects that were successful, the most current one in the Ridgetown area in Chatham-Kent and another one up in Thunder Bay, or just maybe an hour north of Thunder Bay in the municipality of Dorion.

I wanted to just start by thanking you all for the opportunity to present here. I personally, and also our company, obviously think that the Green Energy Act is a much-needed step in the preservation of our planet, and

also to stimulate the economy of Ontario. We think it's an extremely important step.

The way we see it, there are three important parts to the Green Energy and Green Economy Act. The first one is to potentially change and improve the way that we produce energy; to change the way that we use that energy and distribute—and when I say “distribute,” I don't necessarily mean distribute in the sense of the distribution system but distribute it and bring it from the producer to the consumer; and understanding that in the process of changing the way that we use and produce that energy, we stimulate the Ontario economy.

In order to promote the production of renewable sources, which I think are much needed to steer away from conventional greenhouse-emitting sources, there's one extremely important point that needs to be maintained, and the Green Energy Act is a very positive step in that direction. This is policy stability in terms of energy policy. A renewable project can take from two to five years to develop before it actually starts being built. We've seen, in the past, some of the energy policies in Ontario last two to three years, so by the time you actually start the development of a project based on one policy, you can get to the end of it and be in a completely different framework. We've seen that in some of the RESOP projects and RES III projects for renewable energy—so, with the RFP projects, the larger-scale projects, where companies have been developing for many years, now there's a change of paradigm, albeit positive in this case. This constant change of policy does not necessarily promote a major influx in investment in development.

1130

From my understanding, part of the objective of the Green Energy Act is to promote, or to encourage, the potential manufacturing of renewable systems in Ontario. If the development of one single project can take three to five years, the way that we've been seeing it, obviously the implementation of manufacturing can become a much longer process and require that initial interest in the development of projects. There has to be that longer-term policy, and the Green Energy Act is an extremely good initial move toward that.

I think that the secret is going to be in the details of how all these programs are implemented. I know that there is extensive stakeholder consultation through the OPA for the FIT program. My understanding is that all the other aspects of the Green Energy Act are going to be implemented, and it seems to be on a very good track. I think we need to continue on that course if the bill is passed, which we obviously hope it will.

There's another point that I would like to touch on, on policy. This is obviously not Ontario's sector, necessarily, but there's a very important part of the federal policy that needs to follow the Green Energy Act. We've seen in the new budget that they've removed the eco-energy, and the definition of who is eligible for accelerated amortization of capital costs has changed and is quite limited. Especially in partnerships where only one

of the partners is not eligible, it means that everybody else is not eligible. This is a serious problem for smaller companies, for co-operatives, which means that only a small handful of companies are actually eligible for that accelerated amortization. That's a very important part. Especially when we're seeing the policy in the US going toward renewable systems, there's going to be a huge drain of capital for the investments in the projects as well as equipment supply. If the federal government doesn't follow suit with what Ontario is doing, even if the program in Ontario is perfect, it will be very difficult for Ontario to attract that development and that required economic stimulus that Ontario is looking for.

The other important part of the Green Energy Act that I'd like to touch on, and I have unfortunately not heard a lot of talk of this, is this concept of the smart grid. What I think is going to limit the development of renewables in the medium term, and in the much longer term, is the access to transmission. A lot of the projects that have already been developed, and that are basically ready to go, are going to jump on the available transmission and distribution. Those projects are going to be built. But in reality, those are not necessarily completely new investments in Ontario, in the sense that they've been developing these projects for the last couple of years.

This concept of the smart grid and the reinforcing of transmission is extremely important in the Green Energy Act. This comes to the way that we use energy. Obviously, a smart grid is only as smart as we make it, and we can make it extremely smart, to the extent that there are people proposing to be able to monitor people's fridges, and if there's a certain demand somewhere, we can shut down 100,000 fridges for an hour and transfer that load somewhere else. Now, that's a little bit extreme, but to be able to have that level of control on the grid would allow us to include a lot more non-dispatchable energy, which a lot of the renewable energy is, and would also allow us to use and distribute our energy in a much more efficient way, thus reaching the conservation objectives of the Green Energy Act.

Ultimately, this smart grid is, in the longer term, probably a greater source of jobs, of manufacturing and of general economic stimulus, because it's a sector that's not really developed anywhere in the world, and a lot of jurisdictions are starting to talk about it, without anybody actually moving it forward. This is control systems, this is new jobs. It's a completely new way of looking at the way that we distribute and use power.

Ultimately, down the road—and this is obviously not for next year—the smart grid is basically the cornerstone of using the electric car and having all our cars connected to this smart grid. I'm not talking tomorrow morning, obviously, but this is something that Ontario, with the Green Energy Act, if this smart grid and this new grid is really taken seriously, can explode into a completely new market, which I think is greatly needed all across the world in order to use the power that we need in a more efficient and smart manner. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns, questions?

Mr. Peter Tabuns: Thank you very much for the presentation. Has your organization taken a look at the job creation potential we're looking at for large-scale renewable energy development here in Ontario?

Mr. Nicolas Muszynski: We obviously haven't looked at it in a large economic study, but there are different steps to that job creation. There's the individual project, which obviously will create jobs, depending on the size of the project, but a larger project will create a large number of jobs. We're talking 250 to 300 jobs per 100 megawatts for wind power. I'm not sure of the numbers for solar. Those are obviously for the duration of the project and then there are between five and 10 long-term jobs for the operations. That's just when we're talking about one single, specific project.

My understanding is that the objective of the Green Energy Act is to encourage manufacturing in Ontario and that's really where you'll get much more long-term, stable jobs. By encouraging the production, the massive influx of renewable energies in Ontario, that manufacturing base can be built up. But to create those manufacturing jobs, it takes a very aggressive, long-term stance on what those renewable targets are going to be and how much renewable energy is going to be produced.

If you look at the example of our neighbours in Quebec, they had a massive RFP where they were calling for 1,000 megawatts the first time, then 2,000 megawatts, with a total of 5,000 megawatts over five to seven years. They also launched these RFPs in a bit of a lull in the market, where there wasn't this massive competition from the United States. So to create all these manufacturing jobs, it would be necessary to have a very aggressive target in terms of quantity of renewables. But the reality is that even the construction of those projects does stimulate jobs within the area, hopefully, when the project is being built.

The Chair (Mr. David Oraziotti): Thank you. Ms. Broten.

Ms. Laurel C. Broten: In light of the comments and focus on renewable energy now in the US, just as you're talking about when Quebec launched their RFP when we weren't seeing that activity in the US, how important are policies being put in place like in the Green Energy Act to have us in a competitive space against the US, which is moving aggressively on a smart grid and which is talking much more about renewable energy, if we seek to see North American manufacturing come into Ontario? Can you quantify, as someone in this field, how important it is that we're seen as being right at the lead of the pack?

Mr. Nicolas Muszynski: I think it's extremely important. I can't quantify it in terms of percentages or numbers, but to give the example of Quebec, in the first call for tenders in Quebec, it was for 1,000 megawatts, and there was pretty massive interest from manufacturers for the first tender. This was in the very beginning of the wind energy sector, where manufacturing companies were actually financing projects so that they could sell turbines. This is obviously not the case anymore.

In the second tender, the market had shifted and there was great interest in the United States and very little interest from manufacturers. Basically, the manufacturers presented themselves a month before the actual due date when the whole process was about two years, whereas in the first tender, it was much more up front. So even in that shift, we saw in Quebec that it was very, very difficult to even attract manufacturers to come because of the competition in the United States. That was only a few years apart, but because they had these 2,000 megawatts on the table, it was clear that that was going to be built and the policy was sort of a long-term policy, it worked, and they were able to attract two new manufacturers. So there are currently three manufacturers that have set up shop in Quebec.

1140

Ms. Laurel C. Broten: Thank you.

The Chair (Mr. David Orazietti): Mr. Yakabuski.

Mr. John Yakabuski: Thank you for joining us this morning for your presentation. A couple of questions: You talked about stimulating the economy and the jobs. Last week we had the Automotive Parts Manufacturers' Association present before the committee. They employ 80,000 people in the province of Ontario and use about 10% of the electricity produced in this province, about \$700 million to \$800 million a year—big customer. They have the opposite concern, as opposed to what you see as happening. They see the possibility of the Green Energy Act actually costing jobs because our hydro rates could move in the directions of those in European countries, such as Denmark and Germany, which have significantly higher power rates than we do. Their concern was that it's actually going to have the opposite effect: For every job that is created in the renewable power sector, there could be even more jobs lost in the broader sector, and the report released by London Economics International last week supports that. There's also a report that was released by Rey Juan Carlos University in Madrid that spoke to the Spanish experience of 2.2 jobs lost for every job created in renewable energy.

I don't think we can ignore those kinds of things. Those are not my studies, but I don't think it's simply a matter of saying, "This is going to be an economic boon," because if the price of power goes up, as the studies indicate that it will, there could also be some negative effects. I'd just like to get your response to that as well.

Mr. Nicolas Muszynski: Obviously, for some renewable sources, the price that we're seeing right now is well above what you would see on the market.

Mr. John Yakabuski: Plus we have to back it up.

Mr. Nicolas Muszynski: Yes, except that if the grid is properly distributed and that renewable energy is properly distributed across the province, you actually don't have to back it up as much as you would today, in the sense that if you have two or three wind farms—we did a study of wind patterns across a large area. I did this specifically for Quebec, but across large areas and because the winds are not blowing in Kingston like they are in Thunder Bay, if your renewable production is dis-

tributed enough, you actually don't have that many lulls in the full system. But that's maybe not the question.

Mr. John Yakabuski: Germany's got 25,000 megawatts and they have the problem, so I don't see how the Ontario experience would be any different.

Mr. Nicolas Muszynski: Ontario's a lot larger.

Mr. John Yakabuski: You can't guarantee the fact that the wind's going to be there at the highest demand times.

Mr. Nicolas Muszynski: No, absolutely. But I'm not just talking about wind; I'm talking about a grid that reacts in a lot different way than the grid currently in Germany and the grid that's currently in Ontario.

The Chair (Mr. David Orazietti): Thank you. That's time for questions. We appreciate your presentation and thank you very much for—

Mr. Nicolas Muszynski: We didn't actually get to the answer of that specific question, but thank you.

CENTRE FOR APPLIED RENEWABLE ENERGY

The Chair (Mr. David Orazietti): The next presentation: Centre for Applied Renewable Energy, David Blaney.

Good morning, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from committee members. Just state your name for the purposes of Hansard and you can begin your presentation when you like.

Mr. David Blaney: Thank you very much. My name is David Blaney, and I am the program manager for the Centre for Applied Renewable Energy.

I'd first like to take this opportunity to thank the members of committee for taking time to hear my submission and to hopefully read some of the notes I've attached to the copies I've given to you. It's not often that you get a chance to actually directly express one's opinion to the people who are going to vote on a piece of legislation.

Before I get into the body of the presentation, I'd like to provide a brief overview of the organization I represent. We were established in 2006, and we're located in the former village of Brussels, in Huron county. The Centre for Applied Renewable Energy, or CfARE, is an incorporated non-profit environmental organization established through the Huron Business Development Corporation and supported by Employment Ontario and the Ontario Trillium Foundation as well as others. We conduct research, and provide on-the-job training opportunities with the support of Employment Ontario, and information outreach services to the public in southwestern Ontario. We work with numerous public and private partners to promote renewable energy strategies, and we have a special emphasis on using these technologies to promote rural economic development. Through a range of past and present collaborations with organizations and businesses as diverse as the Huron Business Development Corp., Elora Environmental Centre, Lambton

College and KW Power Logic, the centre engages in its mission to mobilize rural communities to achieve sustainability through adoption of renewable energy and energy efficiency.

By now I'm sure the committee and their staff have heard hours of testimony and received studies and reports. I'm sure you've been told in detail about how this act will contribute to the fight against global warming. That's true, and that's a good thing. I'm sure you've been told in detail how this act will promote energy independence for the province. That's true, and that's a good thing. I'm sure you've been presented with a wave of facts and figures and statistics proving the benefits flowing from this legislation. That's true, but after the 700th factoid, I can sympathize if you're beginning to wonder if statistics are a good thing.

This presentation isn't about statistics. What I'm going to do is tell you three stories, stories that explain why this act will help invigorate rural Ontario economies, stories about small-scale economy. All of the businesses that I'm going to mention will benefit in some way from priority access provisions, the emphasis on the development of a smart grid and a progressive system of feed-in tariffs that the act envisions. Just as important, however, is the fact that with the passage of this act, Ontario will become one of the priority places for investment in renewable energy, and this investment creates more jobs per kilowatt than investment in fossil fuel generation.

The first of my stories concerns a family manufacturing business belonging to Bernie MacLellan, who I'm sure Ms. Mitchell knows very well, that formerly had 40-some employees and over 40,000 square feet of manufacturing space. The economic downturn has left him with lots of space but little work for his employees. Two years ago, Bernie began to develop a small-scale integrated wind turbine system suitable for farm and rural business use. The system uses a unique approach to maximize the power used from the turbine and minimize that used from an overstretched rural grid.

The promise of this bill has promoted a resurgence of interest in small-scale generation, and there is no reason that that demand can't be met by homegrown firms. In the case of this manufacturer, a rate of one system produced per day would amount to 35 jobs and purchases from 23 other local companies.

The second story concerns a young graduate from the University of Waterloo, Jasmine Hofer, who, with her father, used her European connections to adapt and integrate old-world technology and ideas into a unique Canadian product. Backup generators are a fact of life on the farm. The cost of diesel for trucks, tractors and a generator can make life a little pinched at times. What our young graduate and her backers did was develop a system that allowed a farmer to prepare, crush and filter their own oilseed in one easy turnkey operation and at a reasonable capital cost. The resultant mash becomes a feed supplement for the livestock, and the oil becomes fuel for the farm equipment, including a gen-set, the out-

put of which the farmer can have some security about feeding into our new smart grid.

The final story is also about a farmer, in this case Don Nott, who's growing a biomass crop. The biomass crop is switchgrass, and I want to stress switchgrass, because the last time I told this story, someone in the back row heard "twitch grass" and thought they were going to make a fortune out of their lawn. Switchgrass does have some things in common with weeds. It doesn't need really top-quality soils and requires much less in the way of inputs than feed and food grain crops. You can harvest it, when it's tall enough, with regular farm equipment. Biomass crops can and are being used to replace coal in both thermal and electrical generation. If they become more widely used, they will provide farmers with another cash crop.

1150

The last story, however, illustrates an area of the act which could be improved. Just as renewable electricity generation is not just wind turbines, and I would like to stress that, renewable energy is not just electricity. If the committee wants to improve an already innovative and useful piece of legislation, they would do well to put significantly more emphasis on cogeneration—combined heat and electrical applications—and on straight thermal applications, both of which become major contributors to the province meeting its conservation targets.

The three stories illustrate the potential for world economic sustainability on a small scale that the act before you represents. New, rural-based manufacturing, new integration and innovative uses for old systems and well-tried ideas, and new and sustainable revenue streams for the farming community—all this and a clean environment.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mrs. Mitchell, questions?

Mrs. Carol Mitchell: Thank you, David, for coming today. I just wanted to give you the opportunity to expand on the cogeneration piece and the thermal application piece, but I did want to thank you for the stories that you told about—you weren't here earlier, but switchgrass was talked about—

Mr. David Blaney: Good.

Mrs. Carol Mitchell: —before you got here, so I just wanted to report on that.

Talk to the committee about cogeneration thermal application as a renewable and what you would like to see in the bill.

Mr. David Blaney: Cogeneration is one of those areas which can be done both on a large and small scale. Last year, I actually went to a conference about microscale cogeneration involving various pieces of equipment, which apparently is becoming quite a thing—the fuel cell development has become quite a thing in Japan and in the east. Large-scale cogeneration is the type of thing that, in some ways, you used to have in the city of Toronto, in which the downtown area was actually heated from one central plant and that plant also turned turbines.

The advantage of it is that most electrical production, in some way, produces heat. Certainly, all biomass appli-

cations produce heat. It would seem to be intensely practical to use not only the electricity, but to find a way to also use that heat. It is now slowly being used in greenhouses. I know that in both Leamington and along the shore of Lake Erie, they're producing electricity, but they're using the heat from the process to heat their greenhouses.

Mrs. Carol Mitchell: Thank you. Do I have—

The Chair (Mr. David Oraziotti): If you have a short question, go ahead.

Mrs. Carol Mitchell: It's just a short question. There had been, earlier in the day, a great deal of discussion about food versus energy production and how that affects our communities. Do you have any thoughts on that, David?

Mr. David Blaney: There are a couple of things that I think you need to know to understand the argument. First of all, most crops are actually grown for feed, not food—most grain crops are, by and large.

The second thing is, there are a number of specific plants, or products, if you will, that can be grown on land that is not particularly good land in the sense of good economic farm land, and switchgrass is one of them. There are a couple of types of oil-producing plants that can also be used on those particular types of lands. So I'm not entirely sure that the argument is that should you go directly from bioproducts and bio-oils, it directly impacts food. That is not necessarily the case.

The Chair (Mr. David Oraziotti): Thank you very much. Mr. Tabuns.

Mr. Peter Tabuns: David, thanks for the presentation and the anecdotes. They'll be useful, I'm sure.

You've got job creation numbers here for other jurisdictions. Are you aware of studies for Ontario that show the job creation potential in this province?

Mr. David Blaney: I know of no comprehensive report, and most of what I do know is more anecdotal than scientific.

Mr. Peter Tabuns: Okay. Fair enough. Have you been doing a lot of work with farmers in your community to promote the idea of renewable energy as a job creator for them?

Mr. David Blaney: I think, in our community, that it's almost fair to say that the farmers have been doing a lot of work with us to promote renewable energy.

Mr. Peter Tabuns: Okay. That's a very nice thing to hear.

The Chair (Mr. David Oraziotti): Thank you very much. Those are all the questions. Thank you for your presentation today.

Mr. David Blaney: Thank you.

The Chair (Mr. David Oraziotti): Committee members, the committee's in recess until 1 o'clock.

The committee recessed from 1155 to 1259.

CITIZENS FOR RENEWABLE ENERGY

The Chair (Mr. David Oraziotti): Good afternoon, everyone. I call the committee back to order. Our first presentation is Citizens for Renewable Energy.

Good afternoon, sir. You have 10 minutes for your presentation. There will be five minutes for questions from members of the committee. Just state your name for the purposes of the recording Hansard, and you can begin your presentation as soon as you like.

Mr. Siegfried Kleinau: Good afternoon, everybody. I hope everybody enjoyed the good and healthy lunch. My name is Siegfried Kleinau, better known as Ziggy. Thank you very much for the opportunity to present this submission on the Green Energy and Green Economy Act, Bill 150, on behalf of the over 1,200 members and the board of directors of Citizens for Renewable Energy—CFRE—and our seven affiliated organizations, comprising nearly 10,000 members.

I am the coordinator for Citizens for Renewable Energy, and for nearly 14 years we have informed and educated citizens and advocated and prodded governments and institutions to realize and utilize nature's free power from sun, wind and flowing water. We have given numerous workshops and we have made quite a few submissions. Our first submission, only shortly after our incorporation as a non-profit organization, was to the MacDonald Commission on Ontario Hydro affairs in 1996, right here in London; then we presented on the Energy Competition Act in 1998; at the select committee hearings on alternative fuel sources in 2002; and less than five years ago on Bill 100, the Electricity Restructuring Act, in 2004.

We congratulate the government on finally taking concerted action to tap into clean, sustainable and safe natural resources to clean up the air and water and create tens of thousands of new long-term jobs. We are very happy that the minister has adopted and included a considerable number of recommendations made by CFRE in our submission on Bill 100. And if you look into your info package, you'll see our submission there.

The new act puts a greater emphasis on energy conservation and efficiency. This is a most important step to take. We call it the first commandment for renewable energy users—don't waste any of that precious power. We have devoted almost the full back part of our flyer to actions to take on energy conservation.

A major portion of funding must be set aside for eliminating the 30% to 40% of energy waste, which several recent studies have identified. With grants and interest-free loans for innovations and energy-efficient appliances, the huge cost of refurbishing these old 2,000-megawatt Pickering reactors can certainly be avoided. We also classify self-generation of power from rooftop solar PV and solar water heating as energy conservation, since less power is produced where it is consumed, avoiding the generation of costly, inefficient and polluting conventional power, with the added benefit of relieving stress on transmission and distribution grids, likely avoiding the cost of adding new transmission.

We heartily support the introduction of the new feed-in tariff, which we had advocated for in our Bill 100 submission under the title of advanced renewable tariffs—the ARTs—backed up with a resolution sponsored by

CFRE and adopted by the international coalition of Great Lakes United. You'll find that also in your info package.

We strongly recommend that the scale of premium prices be retained, as proposed. Private investors have to be assured of a fair return for dedicating their funds for a cleaner, safer and more sustainable energy supply. They should be assisted with interest-free loans or even small grants, but in no way should they be penalized by increased taxation through MPAC. There has to be a clear direction by the minister to stop that agency from gouging homeowners and businesses.

We welcome the mandatory connection inclusion in the bill, and strongly recommend strict rules about cutting red tape in all phases of installing, connecting and metering of renewable energy systems. As stated in the preamble of the bill, remove barriers. There's no room for red tape in green energy.

We also commend the minister on establishing the position of an REF, a renewable energy facilitator, and hope that person will be a strong defender of the regulations added to the bill.

We want our province's energy supply to be as secure, cost-effective and independent as possible. All our fuel sources now have to be imported, and I guess nobody realized that—coal from Pennsylvania, oil and natural gas from Alberta, uranium from Saskatchewan. Their prices are at the whim of those suppliers. We have sun, we have wind, we have rain to keep our rivers flowing. They are all free. What is keeping us from making full use of these safe and sustainable fuel sources?

Just to reiterate, energy conservation should be the real impetus of this bill because from then on, we can close down those old nuclear reactors. We don't have to spend billions on refurbishing them; we might not even have to build any new ones. We really have a lot of potential in those renewable energy sources and they'll be on much quicker than any new sources from conventional energy.

Thank you very much and I'll be happy to answer questions to the best of my ability.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. We'll start with Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Ziggy, for joining us today. You touched on a few things in your submission that I'm going to ask you about. On the rooftop solar, are you suggesting, even if it's not on the grid, we should be subsidizing the cost of the installation of those for people who want to have them as part of their home energy use? And do you feel that we could operate without nuclear or any other fossil fuels, that we could reach a point where we could operate without them, not only for homes, but including industry here in the province of Ontario?

Mr. Siegfried Kleinau: To the first question, those investments are made by private citizens and we have to realize that they're putting in their own money and if we want to build more nuclear reactors we have to fork out taxpayers' dollars. These private citizens, if they invest

\$20,000 or \$30,000 up front, certainly need to be assured that they have a payback, that they have a fair situation where they are being congratulated and rewarded for this action they are taking. Of course, as I was saying, it's just a conservation action, too. The answer to the other question is, I just pointed to 30% to 40% of energy waste. All of this has to be eliminated and then we can do the rest with renewable energy.

The Chair (Mr. David Oraziotti): Mr. Tabuns?

Mr. Peter Tabuns: Ziggy, has—sorry; I should have said thank you for coming and making your presentation today. I really appreciate it. Are you aware of reports that have done an analysis of the scale of solar PV potential here in Ontario?

Mr. Siegfried Kleinau: There are a number of studies, and unfortunately they haven't really grasped the potential. OPA, for instance, has more or less neglected solar, and I'm pointing out the solar water heating too, because if people would supply solar heating for their water heating needs, it would really make a big difference. I can still figure that about 30% of a household's water-heating comes from electricity. Again, it doesn't work all year round but definitely it's just offsetting a good portion of that source of water-heating. It's a big opportunity and it should be grasped, and OPA and the IESO should really look into that potential.

1310

Mr. Peter Tabuns: Thank you very much. I appreciate this.

The Chair (Mr. David Oraziotti): Thank you, Mr. Tabuns. Mrs. Mitchell.

Mrs. Carol Mitchell: Thank you, Ziggy, for all of the work you have done and will continue to do on behalf of renewable energies.

You've been sitting here all day and you've heard the concerns that we have heard from the people. How would you go about addressing some of the concerns that are talked about by a number of action groups today, and specifically with regard to the health concerns, do you feel that they can be addressed through setbacks? If so, what would the setback be that you would recommend?

Mr. Siegfried Kleinau: As for CFRE, we must confess that we don't really support these large industrial wind farms. We are looking at the co-op model, and it's really one of the best models because people, private citizens, invest their money in these models and these projects. That way they are directly involved, and then they can't come up and say, "Hey, we've got health problems." I would really like to find out what the real reason is for people that they can claim these health impacts, because I have never heard anything.

I've been to Europe and Germany many times; I've never heard anything over there in that regard. Actually, I was with a wind energy developer and builder and he said, "Well, you know, some people have a problem with the strobe effect," when the sun shines through those wind turbine blades and it reflects on the house. "We gave them blinds and said, 'Just for two hours, pull the blinds, because after that, the sun has moved over on the

horizon and everything is back to normal.” The same with wind noise: Again, the wind never blows out of the same direction all the time, so it’s just for the time that the wind blows towards the house that they get a little bit of a hum.

A lot of people—actually in our Ferndale wind turbine, they have a wind farm. They have come close to it and said, “We’ve never heard the wind turbine. We heard the traffic noise from the highway, but we didn’t hear anything from the wind turbine.”

The Chair (Mr. David Oraziotti): Thank you very much, sir. That’s the time for your presentation.

TRI-LEA-EM

The Chair (Mr. David Oraziotti): Our next presenter: TRI-LEA-EM, Mr. Palmer.

Good afternoon, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions among the members. Just state your name for the recording purposes of Hansard and you can begin your presentation when you like.

Mr. William Palmer: Mr. Chairman, honourable members, thank you for the opportunity to address this committee hearing with regard to Bill 150, the Green Energy and Green Economy Act. Officially for Hansard, my name is William Palmer, although I’m normally known as Bill Palmer. It works easier.

To introduce myself, our family’s developing TRI-LEA-EM, which is an environmental gathering place for serving youth and church groups in Bruce county. For over 10 years, the TRI-LEA-EM gathering building has been a demonstration of sustainable resources. Electricity supplied by solar panels and a well-insulated passive solar design minimize heating costs, and there’s a place for that.

Our original design at TRI-LEA-EM considered the use of a wind turbine. When it came time to purchase the turbine, I contacted a person selling a used machine. Why was he selling it, I asked, and the answer came in two parts. Firstly, he said, “Well, I can get hydro now and my wind-generated power is just too expensive.” Secondly, he told me that the neighbours, who were half a mile down the road, complained about the noise any time the turbine operated. I stored this information away in my head, and ordered solar panels.

Then, about five years ago, it was announced that the largest wind turbine development in Canada would be built in our municipality and the neighbouring one. The turbines would be safe, they’d have zero emissions and be a financial boon, the developer said. Many landowners signed leases without further investigation. Neighbours asked me, “Aren’t you going to sign up?” And I replied that when someone offers me free money, alarm bells ring.

As I tried to clarify some of the points there, I found the answers were not to be found, and more questions

were to be raised, so I commenced to study the issues in detail.

My career in the natural resources sector with Noranda Mines and in the electrical generation sector with Ontario Hydro, Ontario Power Generation and Bruce Power gave me experience in the fields of system design and operation, training others, accident analysis and public safety. My engineering education is from the University of Toronto, with specialized courses from MIT in the areas of safety and risk assessment. I’ve been a practising professional engineer in the province of Ontario for over 35 years.

When I applied those skills to the studies of wind turbines that were being built in Ontario, the results were unsettling, to say the least. They showed the turbines were being placed too close to roadways and too close to the edges of leased lots for safety. The risk calculations that were being performed by the wind turbine industry were flawed. I identified this to the Ministry of the Environment, but no action ensued.

Independently, Hydro One networks looked at and determined that wind turbines should be set back over 500 metres from their 500-kV transmission lines, but CanWEA, the industry association, states that wind turbines need to be set back from roads and lot lines no more than 51 metres: a 10-to-1 difference. The public is not being protected. Again, letters to the Ministry of the Environment brought no effective response.

When I looked at the actual performance of wind turbines in Ontario, it showed a blade failure rate four times higher than seen in Europe, as was identified in a briefing file that was presented to the Minister of Energy and Infrastructure on January 24 of this year. The file shows that a higher blade failure rate has been predicted for tall wind turbines with a large rotor diameter during conditions of high wind shear, which is a condition that’s proven to exist in Ontario. These facts identify that the issue of public safety needs to be addressed by adequate setbacks. This had also been identified in letters to the Minister of Energy, and the Minister of the Environment previously, again without resolution.

Then, using experience I had in studying the root cause of incidents, my attention turned to the noise emissions from wind turbines. Research in Europe had determined that changes in the wind profile caused an increase in annoyance from wind turbines at night. This was identified to the Ministry of the Environment, along with evidence showing that this was happening in Ontario. I expected the MOE would investigate and take corrective action. Instead, the MOE’s senior noise engineer refused to take action, and he noted that my evidence wasn’t published. This confirmed my first indications and fears that the Ministry of the Environment was not protecting the citizens.

Then, when the MOE approved the certificate of approval for the Enbridge Ontario wind development, they didn’t follow their own wind turbine noise guidelines, but allowed a non-standard calculation technique to increase the sound levels at homes.

I presented a paper at the second international Wind Turbine Noise meeting in France in 2007, to show the evidence gathered in Ontario. Delegates there—there were about 150, from 24 countries—were supportive, and when showed the Enbridge Ontario wind development plans, they observed wryly: “You are going to have problems.”

After that conference and a further workshop, the MOE did revise their wind turbine noise guideline to state that the summer nighttime average wind shear needed to be used to correctly calculate the noise emissions. Yet, when the MOE issued the certificate of approval for the Harrow wind development months later, they failed to apply the guidelines.

Further, when they did revise their wind turbine guidelines, they refused to apply the penalty for cyclical noise that they called for in their own requirement, NPC-104. It calls for a penalty to be applied if the sound is either tonal or cyclical. The MOE refused to comply with their own requirement and said instead that unless the sound from wind turbines is both tonal and cyclical, no penalty would be applied. The MOE are consistently not applying their own rules.

1320

It's informative that the MOE's senior noise engineer stated publicly at a workshop that he was “proud to have approved the Ontario wind turbine developments,” and he stated further, “People will get used to the noise.” Ontario allows wind turbines to produce 51 decibels of noise, while in Germany the limit is 35 decibels. This is an important difference.

A significant flaw in Bill 150 that needs to be addressed is that it delegates the responsibility to develop setbacks for wind turbines to the Ministry of the Environment. Ms. Doris Dumais, director of the MOE environmental assessment and audit branch, wrote me in April of last year and said, “I would like to make it clear that the ministry does not have standards for setbacks to wind turbines,” and then concluded, “The ministry does not intend to introduce setbacks for wind turbines.” She carried on: “As you know, municipalities may set requirements for wind turbine setbacks under the authority of the Planning Act.” Yet Bill 150 then takes that responsibility away from the municipalities and gives it to the MOE, who have consistently shown that protection of the public is not a priority to them.

At the recent MOE technical expert workshop held to collect information about wind turbine setbacks, Mr. Kevin Perry, director of the MOE program development branch, stated, “The goal is to make it possible for these technologies to be installed.” That was the goal of the workshop. A second MOE spokesman added, “The intent is not to create rules and requirements.” Then he added, “There is no time to debate requirements.” At that workshop, the MOE staff refused to permit a presentation on the health effects of turbines.

You've already heard from citizens, and you'll hear from more, who have suffered, in contravention to the Ontario Environmental Bill of Rights, from noise or other

emissions from wind turbines. You've heard that an evidence-based, epidemiological health assessment is required to determine the actual impact on public health before setbacks can be determined.

As a professional engineer, I have an obligation: I am obliged to give you formal notice that undue risk to public safety is being posed by wind turbines at the present setbacks. The consequence of ignoring this is increased risk of public injury and death. Additionally, I have to advise you that the Ministry of the Environment is intentionally contravening their own requirements when issuing certificates of approval for noise from wind turbine installations in Ontario.

On an unpolitical note: You realize that Christians in Ontario are currently celebrating the season of Easter, a season that brings hope to the life of believers. It's chilling to observe the contrasting denial of hope and the lack of respect shown to citizens harmed by the effects of wind turbines and to professionals showing factual evidence. Statements by the Premier and the Minister of Energy that show that the intent of the Green Energy Act is to ensure that NIMBYs will never again stop the development of wind turbines in Ontario is a denial of hope and brings despair. It makes a mockery of the fact that every person in Ontario believes our actions shouldn't harm another.

In your review of Bill 150, you must find this bill as flawed. It needs correction. It's critical that setbacks to protect the public from physical risks and health effects must be identified before the bill is passed. It needs an evidence-based—

The Chair (Mr. David Oraziotti): Sir, that's your time, but if you take 30 seconds, you can wrap up.

Mr. William Palmer: Certainly. You'll hear from presenters who will say that the Green Energy Act is necessary to save the world; however, many of them have no experience of living under a turbine. Please, unless you're going to publicly state that everyone who's seen adverse effects is a liar, then really, you shouldn't pass this bill until you've set proper setbacks and ensured that the problems that have been created have been resolved.

The Chair (Mr. David Oraziotti): I appreciate your wrapping up. Thank you for your presentation. We have a few minutes for questions. Mr. Tabuns, you're up first.

Mr. Peter Tabuns: Bill, thanks for taking the time to put together the presentation and come down today. Listening to what you've said, I see wind turbines as our best chance for rapid deployment of renewable energy. Would you say that your perspective is more that coal and nuclear are better options for us, in terms of power generation at this point?

Mr. William Palmer: Wind turbines, improperly sited, are a problem, sir. Wind turbines, improperly sited, are not safe, clean renewable energy. They're a problem. We need a dispatchable source of generation. Nuclear is a dispatchable source of generation that can be used. As Mr. Kleinau has just stated to you, we should be looking at solar water heating. That's not in the green energy bill.

I raised it at the technical workshop and people said, "It's not here. We can't talk about it."

There are difficulties that we really need to look at. We need an energy source that doesn't cost too much. Wind, unfortunately, costs—right now, we're paying \$110 a megawatt hour for wind, and most generators are actually paying to be online because the power costs have been negative for the past several weeks in the province. The wind generators are being paid. I don't think that's really fair to the small person. So I'm afraid I can't support wind turbines. They're good in a niche market. As a case, in my place, where I'm supplying a small building and I'm willing to put in the storage system, they're okay. But industrially I believe they're not useful for us.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: Just to pick up on the questions Mr. Tabuns was asking, you've given us quite a bit of review with respect to the issues associated with the siting of large-scale wind turbine farms, and certainly your view would be that municipalities that have had the responsibility to date of establishing setbacks haven't had the capacity to do a good job in that regard.

Mr. William Palmer: The difficulty that we've had up to now is that every municipality has been picked off one at a time without any identified provincial standard. And yes, we have looked for a provincial standard. However, having set a standard, the province should set a minimum standard and then it's up to municipalities to say, "Now, given a minimum standard, what are the special circumstances that apply here? What are the special land uses? Are there special conditions we need to consider?" That's something that this bill takes away. So there needs to be a minimum standard, because two neighbouring municipalities can have a double standard, and that's not appropriate.

Ms. Laurel C. Broten: What do you think the minimum standard should be?

Mr. William Palmer: As I said, really the standard needs to have an epidemiological health study done first. If the study is not done, really what you're having to do is say, from a public health point of view, you need a two-kilometre setback to a residence and you need a 500-metre setback to any roadway or any lot line. Because you see, there's no protection for people otherwise.

The Chair (Mr. David Oraziotti): Thank you. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Mr. Palmer, for joining us. I doubt that you have a whole lot of comfort—this issue of the minister always justifying the usurping of municipal powers by saying, "What we're going to do is upload the responsibility of establishing minimum setbacks," which he says was a hodgepodge of whatever, which it was. We accept that. But what comfort would you have that the minister's actually going to err on the side of caution with respect to setbacks? Because we've heard nothing from him about where he sees setbacks as being. I would suspect that what you're

saying is absolutely correct: that before you go on the development binge, you should establish these or have these rules in place. I know I'm not comforted by what he said about what setbacks may be, and again, I can't comment on the adverse effects because I don't have the background.

I did want to ask you one question about one thing: What do you define blade failure as—and if you could comment on the rest?

Mr. William Palmer: My definition of blade failure, when I talk of a four-times-greater blade—that is where the blade pieces are on the ground. I'm not talking of a lightning strike where you have to replace a blade. Huron Wind, for example, at the Bruce, replaced five blades on five turbines in the first year because of lightning strikes. I counted none of those as blade failures because they didn't end up with blades on the ground. I'm talking about Ontario having a blade failure rate four times greater than was seen in Europe, and that's pieces on the ground, pieces that will kill someone.

Mr. John Yakabuski: Thank you very much.

The Chair (Mr. David Oraziotti): Thank you, that's the time. I appreciate you coming in today for your presentation.

ESSEX COUNTY WIND ACTION GROUP

The Chair (Mr. David Oraziotti): Our next presentation is from Essex County Wind Action Group, Colette McLean.

Good afternoon, and welcome to the Standing Committee on General Government. You have, as you know, 10 minutes for your presentation and five minutes for questions—

Ms. Colette McLean: I understand; I've been here all day.

The Chair (Mr. David Oraziotti): Anyone who will be speaking, just ask them to please state their name. You may begin.

Ms. Colette McLean: My name is Colette McLean. I belong to an organization called Essex County Wind Action Group. I'm a resident of Essex county. With me today are Bill Anderson, who is chair of our group, and his wife, Maureen Anderson, who is co-chair as well. Also with me today is Barbara Ashbee. Barbara Ashbee is part of my presentation today. I handed out my presentation to you.

I am personally appalled at the tactics the standing committee is taking to squelch these people who are living with wind turbine problems, and I felt it important to rescind my presentation. I hope you will read it and incorporate the information in today's hearing. I would like to hand over the presentation to Barbara now.

1330

Ms. Barbara Ashbee-Lormand: Thank you. I really wanted to speak before the standing committee. I was denied the opportunity to do it. I'm not a very good public speaker, so bear with me.

You need to know the problems with wind turbines and people living with them. I know you probably know me. You've probably seen my letters. When the wind turbines started up in early December, we had terrible noise issues, and it was pretty much instant. There were three nights straight we didn't sleep at all, and that's what prompted my letter to the wind company and to—I actually sent it to the MP because I didn't know how this all worked at that time. I had no idea.

We had no thoughts that we were going to have problems. When the wind turbines were actually going up at our place in the summer, we were putting a double-car garage up at the same time. We had put in a new fence, a new deck, everything. We weren't expecting anything. We're not anti-wind, we're not anti-green, but there are big problems with the setbacks in our area.

By the way, I'm from Shelburne. I'm sorry; I should have said that to begin with.

The closest turbine is 456 metres behind us. There are two north and south of it. Our house faces east. Across the road, the next closest is just under 700 metres. When those winds pick up, they're so loud we cannot sleep at night. We've had test after test.

I will say the wind company has been very diligent in trying to find out what the problem is. Tests have been going on over four months now. They've been in our house with monitors, outside the house with monitors. They've shut turbines on, off. We've spent a lot of time with them, and I think they will agree that the two of us have worked very well together—with the acoustics company and with themselves—but they can't fix the problem.

There's this horrible hum and vibration in our house. It just drives you mad. It's been there for the last six days. I'm sorry. It comes and goes, but it's so loud you can't sleep, and it's coming through the walls. The buried cable transmission lines go up the side of our property—we're on one acre—and I don't know if it's electrical coming through the ground in our house or what it is. We're looking for a rental now because we can't stay there.

When I hear people say, "There aren't problems," and "It's all in their heads," and they're just unhappy because they don't have a turbine, I don't even know what to do. My government has not been helping. My MPP, thank God, has been active in trying to work on my behalf with the government, giving everybody my story, and my council has been good, but I'm not getting anything back from anybody.

This hum and vibration is not covered in the guidelines. There are no guidelines for interior noise in our house. When the winds are whipping up, and we can't sleep for days and days at a time, there's nothing. You phone the MOE and I cannot tell you how many times I heard, "We're in compliance. We're in compliance." They're in compliance. They're in compliance. In fact, they weren't in compliance. Finally, we dragged it out and got the acoustics study back. It's just been such a fight to get information.

Now they're shutting five turbines down at night, and I thank them for that because that's helping with the noise, but this vibration in the house is horrible, it's absolutely horrible. Nobody should have to live like that, and I can't believe the government hasn't intervened and sent someone to our house to test for dirty electricity or whatever it is. It's unconscionable, it just is.

We didn't want to speak out in December. Finally, I gave up and I started writing letters because I didn't know what to do because now our property value is zero. If I could move out of there, I'd have a for sale sign, we'd be gone, but we can't sell our house. We're into the fourth month and a couple of weeks ago a wind company head office guy came and talked to us. We've talked to so many people. He said, "Okay, I'll see you in a month." I'm like, "A month? We've gone on far enough."

Here we are, we can't move. We have nobody helping us. Yes, they're doing their best, but look at the size of the company and look at the number of turbines they have up in Canada, and they can't fix that problem. If you guys are going to go push more through—and then, because I came out and starting speaking, I've got people all over the province phoning me and saying, "Help us. We're not getting anywhere with our MPP. Nobody's listening to us." And I'm trying to help, I'm trying to get the word out, I'm trying to get—

Interjection.

Ms. Barbara Ashbee-Lormand: Excuse me? I'm just saying, they're phoning me and I'm saying, "Phone your MPP and tell them they have to get the message to the higher-ups." I keep getting told, "We've written letters, we're getting phone calls," and they're having problems. My MPP's awesome. She's been fantastic, she's been very helpful and I said that my town council has been trying its best to help us also. There are other people on our farm who are having problems. They're not necessarily speaking out yet. They're phoning me, and that's fine. I have no problem with that. I would never, ever, ever put anybody's privacy at issue or say anything, but there are lot more people than even you know or have heard from.

The Chair (Mr. David Orazietti): We have some time for questions, unless anyone else has comments. You have a few more minutes for comments, if you want, or we can go to questions.

Ms. Colette McLean: I would like to ask this committee, what are you planning to do to help this situation? What are you going to do to help these people? You may think that it's only one or two, but we have information—we're getting information—that there are potentially a lot more. And what we're finding is that, because people feel that green energy is as important, we have to do this. What else can we do? We want to see this province move forward. We're all like this in this room, including us, but what happens when people like this are being affected and there is absolutely no recourse for these people? I would like to know how the Green Energy Act is going to address this or, at least, how this committee is going to address this or how MPPs are going to address this.

The Chair (Mr. David Orazietti): Thank you, Ms. McLean. We'll go to questions. Ms. Broten or Mrs. Mitchell?

Ms. Laurel C. Broten: I'll respond briefly. The process that is ongoing right now is an opportunity for a committee of MPPs from all parties to travel the province and hear from communities, and that's what we're doing. We're having 33 hours of public hearings on the bill and travelling the province and having an opportunity to hear about the challenges in a variety of municipalities across the province with the establishment of setbacks and how the province can assist as we move forward. Individuals like you have an opportunity to put in written submissions and to attend before committee. Only so many people can come in that period of time, but the process is managed by the three parties collectively and I think it works well to hear voices. That's really what we're doing today—having a chance to hear your voices.

I know Mrs. Mitchell wanted to respond to something.

Mrs. Carol Mitchell: Thank you. I just wanted to say to you that the comment that is made in one of your reports that the MPP—and you specifically named myself—from the riding specifically with regard to the Ripley farm—that nothing is being done. That is not true. I want to say that when the concerns first started from the Ripley farm—and that was, what? About, I guess, eight or nine months ago?

Ms. Colette McLean: Fifteen months ago, madam.

Mrs. Carol Mitchell: No, no, let me finish. One of the things that they asked me to do was to not get involved. They wanted to work through the private negotiations. When they finally came to me and asked for some assistance, I met with Suncor to address what had been done. I've talked to Hydro One. There are studies going on right now to deal with the issues. In my mind, we have to go in and address the concerns. That is what my office is doing. When we see something like this—and Sandy is coming later to speak to the committee. She will be speaking as the last presentation. But to say that I have done nothing is inappropriate.

Ms. Colette McLean: I disagree with that, madam, because you have done very little, if you've done anything. You are promoting wind and you're calling Bruce county the centre of energy. You're pushing for these projects to go ahead and you're dismissing these people as NIMBYs.

Mrs. Carol Mitchell: No, I'm not—

Ms. Colette McLean: They went to you and you said nothing.

The Chair (Mr. David Orazietti): Thank you. That's time for questions, Mrs. Mitchell.

Mr. Yakabuski, you have the floor.

1340

Mr. John Yakabuski: Thank you, Barbara, for your personal experience, which I think is extremely important—how somebody is personally affected by this. Now, you live with your husband?

Ms. Barbara Ashbee-Lormand: Yes.

Mr. John Yakabuski: Do you have any children?

Ms. Barbara Ashbee-Lormand: They're all grown and out of the house, thank God. If we had children there, we would not be there.

Mr. John Yakabuski: At the times that they're there, are they affected?

Ms. Barbara Ashbee-Lormand: One's in Australia and the other one's in Maryland. They're all over, so—

Mr. John Yakabuski: So he doesn't come home for weekends?

Interjection.

Mr. John Yakabuski: I do appreciate your submission and putting a face on what we're hearing from people. It's very hard for someone like myself to quantify it, because so much of it can be seen as anecdotal, but I'm still hearing that any kind of official response at the ministry level is basically non-existent.

Ms. Barbara Ashbee-Lormand: It hasn't been. My MPP finally wrote—

Mr. John Yakabuski: That's Sylvia Jones?

Ms. Barbara Ashbee-Lormand: Yes, Sylvia Jones wrote to Mr. Gerretsen's office in January saying, "These people have real concerns. Please get in touch with them." I received a copy of the letter on the 15th, and on the 20th, our MOE office phoned and he said, "I hear you're having a problem," and I said, "Yeah, we're having a problem," and I went into it with him on the phone. We had a long discussion—probably 45 minutes long. I got some misinformation on decibel levels allowable. Again, I've said how many times that I've been told, "They're in compliance, they're in compliance." That's just the phrase word that they like to use, and when I questioned—basically, I was told over the phone that up to 60 decibels was allowable.

Mr. John Yakabuski: The fact that your setback on one was 400 and some metres and the closest one in another direction was 700 and some metres—that, you would think, would certainly give them reason to consider those setbacks as being inadequate—

Ms. Barbara Ashbee-Lormand: Totally inadequate.

Mr. John Yakabuski: —if those are some of the symptoms that you're suffering from with regard to that proximity.

Ms. Barbara Ashbee-Lormand: Woefully inadequate.

Mr. John Yakabuski: Have they made any commitment to you with regard to further setbacks?

Ms. Barbara Ashbee-Lormand: No. The wind company is shutting five down at night. They recognize they have a problem, and finally when we got the acoustics report, it was there in black and white. It took a long time—

Mr. John Yakabuski: That's evidence that there's a problem, if they're shutting them down.

Ms. Barbara Ashbee-Lormand: There's absolutely a problem. But the one behind us is shut down permanently, and then they're running four during the day—three to four—on low rpm so that they're not emitting as much noise as the other ones, and then they shut them down at night.

But this vibration is just absolutely horrible, and it comes and it goes. Other people have heard it. We had a councillor in. We phoned her one day. Actually, I was in school and my husband phoned her to come in, because we were trying to get people to experience it that we—that's the first time I had actually met her; I had been to council meetings, but I hadn't actually met her. I was trying to get people to feel it. It's a horrible, horrible feeling, and it's a humming—

Mr. John Yakabuski: And do they feel it if they're in your home?

Ms. Barbara Ashbee-Lormand: Yes.

The Chair (Mr. David Oraziotti): Thank you, Ms. Ashbee-Lormand and Mr. Yakabuski. That's your time for questions. You can continue in a moment.

Mr. Tabuns.

Mr. Peter Tabuns: I'm very sorry to hear of the experiences that you're going through, because they clearly have had an impact on you. Can you tell me the name of the wind company?

Ms. Barbara Ashbee-Lormand: Canadian Hydro.

Mr. Peter Tabuns: The acoustics report that was produced: Is that something that you would be willing to share with the committee?

Ms. Barbara Ashbee-Lormand: I don't see why not.

Mr. Peter Tabuns: That would be worth seeing.

What puzzles me is this: I've talked to farmers in Alberta, in Pincher Creek, whose farms were saved from bankruptcy by the installation of wind turbines, and they were extraordinarily happy in their experience. Some were—

Ms. Barbara Ashbee-Lormand: I'm not saying everybody—I'm so sorry.

Mr. Peter Tabuns: No, that's okay.

Ms. Barbara Ashbee-Lormand: Not everybody's having a problem.

Mr. Peter Tabuns: I'm not saying you haven't experienced what you've experienced. What I'm trying to understand is what the difference is in conditions. I've talked to people, again, in southwestern Ontario, who are very close to wind turbines. Frankly, they're very comfortable with them. So I'm curious as to what the factors are that have given you this experience that is clearly very difficult.

Ms. Barbara Ashbee-Lormand: I am just as curious, and that's why they're doing the testing. If there wasn't a problem, they wouldn't be shut down.

Mr. Peter Tabuns: Do you get the vibration when the turbines are shut down?

Ms. Barbara Ashbee-Lormand: Yes, and it's my thought—and they can't figure it out. Mind you, nobody from the MOE has come to check, but there are buried cable transmission lines going up the side of our property and there are Bell wires, and there's a theory that perhaps the transmission cables are inducing electricity into the Bell wire, which is coming into our home. It's grounded in our circuitry so it's going around our house. We have had, just last week, an electrical consultant test for dirty

electricity and he did find dirty electricity at 13 volts, which may not sound like much, but it's a lot.

Ms. Colette McLean: That's why we're asking for the epidemiological study, to determine the extent. When they did the Walkerton review, they looked at the foci. The foci starts with two or three cases and then they branch out to determine how far the extent of the problems are. That's how you have to do it. It's going to require this province to do a review. I'm sorry, it's an investigation. If you want to go forward with these types of projects, you're going to have to prove to us as residents—it's not up to us to tell you, to show you. We don't have the resources to do that. You have to be able to develop that study and determine how far back, if that's what you want. I don't want to see them at all, personally, I'll be quite up front about it, because I truly don't believe that this is the real green thing. Industrial wind is not the real answer. I think there are a lot of other possibilities and we should be looking at more research instead, but if you're going to go ahead, then you have to do that investigation, that epidemiological study.

The Chair (Mr. David Oraziotti): Thank you, Ms. McLean, Ms. Ashbee-Lormand. Folks, that's time for the presentation. I appreciate you coming in today.

AIM POWERGEN CORP.

The Chair (Mr. David Oraziotti): Our next presentation is AIM PowerGen Corp., David Timm.

Good afternoon, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions. Please state your name for the purposes of recording Hansard, and you can begin when you like.

Mr. David Timm: Thank you, Mr. Chair and committee members, for allowing me the privilege to speak to you on this important proposed legislation. My name is David Timm. I'm a vice-president of AIM PowerGen Corp., a wind developer active here in the Ontario market. AIM is one of the largest independent wind-developing companies active in Canada. We have successfully built and commissioned 140 megawatts of projects in Ontario, both under the renewable energy supply RFPs as well as the renewable energy standard offer program.

I'm pleased to have the opportunity to provide comment into your deliberations on Bill 150, the Green Energy and Green Economy Act. We're encouraged by the outreach and extensive consultations in forums such as these legislative hearings, as well as avenues such as the Ontario Power Authority's stakeholdering on the proposed feed-in tariff program. These are excellent examples of how public policy should be formulated.

The proposed legislation in Bill 150 holds a great promise to develop and modernize the province's electricity sector. We welcome the introduction of the legislation as a positive signal to industry that the provincial government is serious about enabling renewable energy projects as part of their economic and environmental objectives. The Green Energy Act better positions Ontario

to attract investment in an increasingly competitive and challenging time in the market.

That said, there are a few areas of the legislation that we felt warranted greater scrutiny. My comments will be focused on four areas: empowerment of the renewable energy facilitator's office; maintenance of Ontario's prudent approach to environmental appeals and hearings; treatment of early movers in a shifting policy framework; and concerns related to the increased integration of renewable energy into our system.

Number one, the empowerment of the renewable energy facilitator's office: The powers and the responsibility of the renewable energy facilitator's office need to be clearly defined and robust enough to be effective. After many years of having to navigate through varying avenues of permits and approvals, through numerous agencies and ministries, the office of the renewable energy facilitator is welcomed. However, it is unclear as to the role and the powers of the facilitator, and its role in ensuring the achievement of the province's renewable energy objectives. It is critical that the office have ultimate responsibility to monitor and report on permitting and approval processes. The functions and reporting requirements of the Environmental Commissioner under the bill and the Environmental Bill of Rights could serve as a useful template in developing the role and powers of the renewable energy facilitator's office.

1350

My second comment is in regard to the maintenance of Ontario's prudent approach to environmental appeals and hearings. Over many years in Ontario, adversarial hearings have been recognized as the last resort for environmental decision-making, in part because of the experience in the late 1980s and early 1990s with seemingly endless environmental hearings that, too often, resulted in unsatisfactory results. While in limited circumstances the time and expense of an adversarial hearing is necessary and useful, one of the principal thrusts of previous ways of government streamlining initiatives has been to reduce the frequency of hearings, particularly with respect to private sector energy development and environmental assessment. For this reason, the current approach, for example, under the Ontario Water Resources Act and the Environmental Protection Act, provides a threshold process known as a leave to appeal through the Environmental Bill of Rights.

The leave-to-appeal process is designed to screen out third party appeals that do not merit the time and expense of a full-blown hearing. Through a leave-to-appeal application, a third party must demonstrate the basic merits of its case before it is granted a hearing.

The proposed legislation under Bill 150 seeks to remove the leave-to-appeal screening and push every appeal into a hearing. A hearing as a right of appeal for every new renewable project in Ontario is the opposite of streamlining. It ignores lessons learned over many years, as reflected in Ontario's current cautionary approach to environmental hearings.

The current leave-to-appeal process available to third parties under the Environmental Bill of Rights comes

much closer to striking the right balance between mitigating the risks of frivolous strategic third party appeals while preserving the opportunity for a hearing in the right circumstances. Instead of eliminating the useful screening role that the leave-to-appeal process under the EBR has played and, therefore, burdening renewable energy projects with a new wave of environmental hearings, Bill 150 should simply build on the strengths to mitigate the weaknesses of the current EBR leave process.

My third point is on the treatment of early movers in a shifting policy framework. To provide certainty to developers and investors, predictable and stable policy and procurement processes are required. In the five years since renewable power procurement began in Ontario in late 2004, approaches to procurement have changed considerably.

Over the years, the focus of procurement has gone from large-scale projects through competitive tenders to small distribution connected projects through the renewable energy standard offer program and the original, and subsequently abandoned, renewable energy supply III RFP, and then back to large-scale tenders in 2008, and now to a European-style feed-in tariff.

At the same time, a renewable energy power industry has blossomed under a positive policy framework, but it has also struggled to adjust to all of these changes in procurement policy. While all of these changes and new initiatives have helped keep Ontario on the leading edge of renewable power development, they have also left developers consistently adjusting and changing business plans at considerable time and expense.

Each shift in policy and procurement mechanism leaves developers having to adjust projects, budgets and priorities in an attempt to respond and compete in the newly defined marketplace. These changes have also made it difficult to attract manufacturing and the creation of sustainable, long-term jobs.

Minister Smitherman has stated that the proposed legislation and forthcoming regulations will drive investment in renewable energy in Ontario by bringing certainty and stability to the marketplace. These are very positive goals and ones that are craved by industry. The policy and procurement frameworks that the Green Energy Act seeks to implement must provide certainty and predictability in order to create an attractive investment climate that will deliver the desired investment.

At a time when economic activity is direly needed, new policy initiatives like the Green Energy Act and the OPA's proposed feed-in tariff are both designed to facilitate maximized renewable energy, and should not have the unintended consequences of themselves delaying projects which are mature and in development under the abandoned policies and programs.

By not addressing commercial issues that arose in previous procurement programs and then barring projects in development under those programs, initiatives implemented under the Green Energy Act may have the unintended consequence of delaying mature, shovel-ready projects.

My last point is in regard to concerns related to the increased integration of renewable energy.

When a technology is relatively new to the political, economic and social landscape, questions will naturally arise. Informed public discourse on renewable energy options, such as wind energy, is good for all Ontarians. What are wind's impacts on the environment? What are the benefits to the local community and its economies? What role will wind play in ensuring Ontario's energy future? These are all important and topical questions. Discussions surrounding these questions should, however, be informed by what the last 15 years of experience and scientific inquiry have taught us with respect to commonly raised concerns about wind energy in Canada and abroad.

Canadians, and specifically Ontarians, overwhelmingly express support for renewable energy like wind. Polling numbers consistently demonstrate this support. The federal government, along with provincial governments across the country, have recognized the importance of wind as a renewable energy source and have taken steps to remove barriers to development.

As public discourse on the merits of wind energy continues, it will be important to ensure that the discussion is informed by accurate information based on scientifically accepted research and documented technical experiences, not anecdotal information or, worse, by information that is so easily propagated in this information age.

We should also not lose sight of our collective global responsibility in these discussions: creating a sustainable energy system that serves the province's economic and environmental objectives.

In conclusion, AIM PowerGen applauds the Ontario government for introducing this innovative legislation. We feel that it will position Ontario as a North American leader in the promotion and integration of renewable energy.

Thank you again for this opportunity to speak to you. I would be happy to answer any questions the committee may have.

The Acting Chair (Mrs. Linda Jeffrey): Thank you. Our first speaker is Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much. Thank you for joining us today. It's interesting to hear that you have some roots in my riding.

David, one thing that has been practised for decades, if not centuries, when dealing with opponents of something you want to do is you face head-on their criticisms or their argument opposing what you want to do, and in doing so, you remove that opposition, should you be successful.

We've heard from so many people today with respect to the need for an epidemiological study to determine whether, and to what degree, wind turbines and their proximity can affect the health of those within that area.

Would you, as a developer, support the government proceeding with a third party study that would answer these questions, deal with these questions, face those questions so that we can, with some form of a comfort

level, move on, should that be the determination of the study? Would you, as a developer, support that?

Mr. David Timm: I think there's been—as I said, I think what we have to do is look at the information that's provided to us historically and in other jurisdictions.

Wind energy, while it's relatively new to the Ontario and Canadian landscape, is not a new technology. There are decades of experience in the United States and Europe. You're not looking at drastically different communities or areas. The reinvention of the wheel and reinvention of data is not necessarily warranted. What we can do is learn from that experience and review those studies. There are good examples of that being done.

Mr. John Yakabuski: Are these objections not real?

The Acting Chair (Mrs. Linda Jeffrey): I'm sorry, time is up. You can finish the answer. Are you finished?

Mr. David Timm: I'm not dismissing the fact that these issues are real, but I think we have to create the checks and balances and processes to determine what are appropriate setbacks and appropriate designs.

The Acting Chair (Mrs. Linda Jeffrey): Thank you. Mr. Tabuns.

Mr. Peter Tabuns: David, thanks for the presentation. Have we got a hard copy of your presentation?

Mr. David Timm: My hard copies are of my previous draft, so I apologize. You don't have a hard copy.

Mr. Peter Tabuns: Could you send one to us?

Mr. David Timm: We'll send it through the clerk, absolutely.

Mr. Peter Tabuns: Okay. One of the questions that has come up in the course of these hearings is the whole question of municipal approvals. So, a practical question for you: Have you found, in going through the municipal approval process, that you have been arbitrarily held up in processing?

Mr. David Timm: We have had—

Interruption.

Mr. David Timm: Sorry. We have had challenges at the municipal level. I think we've worked with both the local council and local constituents to work through issues. I think every community—

Interruption.

Mr. David Timm: Sorry, that would be my BlackBerry.

These are very site-specific issues, and we need to work through those and have early communication, transparent communication with the municipalities.

Mr. Peter Tabuns: Thank you.

1400

The Acting Chair (Mrs. Linda Jeffrey): The government side, Ms. Broten.

Ms. Laurel C. Broten: Do you have any thoughts with respect to the level of government that is best suited for the gathering of the scientific information that you indicated has been done, should be done and should continue to be done?

The second question: As we foray as a government and as a society into a new area, do you have any advice for the committee with respect to areas where capacity

needs to be built either within our various ministries or within the municipalities to be able to assess and manage some of these new technologies—not new in the world, but newer to Ontario?

Mr. David Timm: In terms of your first question, I think the Ministry of the Environment, through the current environmental assessment process, through the certificate of approval process—it's a dynamic process. We've heard today already that the Ministry of the Environment in 2007-08 did a review of their noise guidelines. It shows that there's a need for a consistent review of the current science that's available to us. I think it behoves us as stewards of the environment, which I suppose is the task of the Ministry of the Environment, to be current on the science that's available to us.

Interruption.

Mr. David Timm: I apologize—

Ms. Laurel C. Broten: Capacity building.

Mr. David Timm: In terms of capacity building—sorry, if you could just restate the question.

Ms. Laurel C. Broten: When something's new, do we need to make efforts to build our abilities within various ministries or municipalities to be able to regulate and manage this ongoing process?

The Acting Chair (Mrs. Linda Jeffrey): You have 30 seconds to answer this.

Mr. David Timm: Absolutely. And again, I think the ministry has done that through that noise review, which was 12, 18 months I think—there were a number of stakeholder sessions, technical sessions with community representatives, technical representatives, and it provided the opportunity for ministry staff to hear the concerns, hear the current science, the research that's being done and then make a judgment call, make a revision or a review of the process. So I think those mechanisms are built into the processes we have and I think, going forward, the discussions currently happening with the Ministry of the Environment, the Ministry of Natural Resources and the Ministry of Municipal Affairs and Housing are good examples of trying to get up to speed.

The Acting Chair (Mrs. Linda Jeffrey): Thank you very much for being here today.

Mr. David Timm: Thank you.

FIRST NATIONS ENERGY ALLIANCE

The Acting Chair (Mrs. Linda Jeffrey): Our next delegation is First Nations Energy Alliance, Mr. White. Welcome.

Good afternoon. Could you state your name and the organization you speak for, for Hansard? When you begin you'll have 10 minutes, and there will be five minutes for questions afterward.

Mr. Lee White: My name is Lee White. I'm a board member of the First Nations Energy Alliance. I'm also the director of economic development on the Walpole Island First Nation, and I've been in that position for the past 18 years.

The paper that I have in front of you: First of all, I believe the Green Energy Act is a very good act. I think it will lead to some very good opportunities for First Nations as well as other Ontarians, as well as the end goal to help pollution matters.

In front of you, you've got some general comments. I'd like to go specifically to the "Specific amendments," which is on page 2. This is because of time constraints.

Section 35 of the Constitution: The interpretive subsection 1(2) of the GEA states that the act shall be interpreted in a manner that is consistent with section 35 of the Constitution Act, 1982, and with the duty to consult aboriginal peoples. This section should be amended to read, "and with the duty to consult and accommodate, where required, aboriginal people whose existing or asserted aboriginal treaty rights may be affected by this act." Further, we request that this interpretative section be included in each of the acts that are proposed to be amended by the GEA for consistency and clarity.

The renewable energy facilitation office: The objects of the REFO set out in subsection 10(2) should be amended to include a furtherance of projects on First Nations lands. We also believe the act should provide more guidance to the REFO on what "facilitation" exactly means.

We recommend that paragraph 1 be amended to say, "To facilitate the development of renewable energy projects including but not limited to making recommendations to the minister regarding priorities for overcoming barriers to advance the development of renewable energy projects and such other matters as may be prescribed by the regulations."

We recommend that paragraph 2 be amended to say, "To work with the proponents of renewable energy projects, other ministries and other governments to foster the development of renewable energy projects across Ontario and to assist proponents with satisfying the requirements of the associated approvals processes and procedures, both provincial and federal, including but not limited to providing proponents with information in respect of interactions with local communities and undertaking annual reviews to identify and chart the progress of removal of barriers for the development of renewable energy projects that benefit Ontario."

Under the Electricity Act, schedule B:

Integrated power system plan: Amend subsection 25.30(2) of the Electricity Act, which deals with the integrated power system plan, to broaden the goals and provide more flexibility for matters that are addressed by the Ontario Power Authority and approved by the Ontario Energy Board pursuant to ministerial directive.

Going to point 2 under "Issue": When Minister Smitherman issued the September 17, 2008, IPSP directive to the OPA, the minister asked the OPA to revisit the IPSP with a view of setting new targets for renewables, among other things. The directive also directed the OPA to conduct enhanced consultations with aboriginal people and to "consider the principle of aboriginal partnerships in generation and transmission." We later heard from coun-

sel for the OPA that, in their opinion, the ministerial directive as it relates to considering aboriginal partnerships was not a matter that the OEB would have to address in its review.

For this reason, we recommend subsection 25.30(2) be amended to provide more flexibility to the ministerial directives in connection with the IPSP. This could be achieved by simply adding the following clause 25.30(2)(e): “such other matters as may be prescribed by the regulations.” Accordingly, we request that the consequential regulation be put in place that permits the minister to issue IPSP directives relating to consultation and growth plan matters with First Nations.

Aboriginal participation: The new proposed subsection 25.32(4.5) contemplates that the minister may direct the OPA to establish programs to promote aboriginal participation.

We recommend that subsection 25.32(4.5) be amended as follows: “The minister shall”—instead of “may”—“direct the OPA to establish measures to facilitate the ownership”—instead of “participation”—“of aboriginal peoples in the development of renewable energy generation facilities, transmission systems and distribution systems and such measures shall include programs or funding for, or associated with, and goals relating to aboriginal ownership in the development of such facilities or systems.”

We are supportive of the addition of subsection 25.32(4.5). However, without consequential amendments to the IPSP review section, there will be no public process to address an ongoing development and review of aboriginal participation programs that the OPA will be directed to undertake.

Under “Feed-in Tariff”: The new proposed subsection 25.32(2) regarding ministerial directives on the feed-in tariff programs contemplates such directives that would have goals relating to participation of aboriginal peoples. We are not comfortable with the word “participation” in that it’s unclear what the intent and goals are. Therefore, we would prefer to use the term “ownership” in its place.

Under the Environmental Protection Act: We need assurances that the appeals process under the environmental assessment will include a right to appeal on the basis of existing or asserted aboriginal rights and treaty rights. Accordingly, we request that subsection 142.1(3), grounds for appeal, be amended to include appeal rights on the basis of an existing or asserted aboriginal or treaty rights.

Under the Ministry of Natural Resources: The existing Provincial Parks and Conservation Reserves Act contemplates certain exceptions for existing hydro sites and for use by communities that are not connected to the IESO grid. We request that exception be broadened to permit hydro sites that benefit First Nation communities; see the current section as set out below.

1410

First Nations need to be able to have access to these sites for sustainability of their communities. If the current exceptions permit development within parks because it

will service First Nation communities, the environmental impact will be the same as in the case of where First Nations communities are permitted to develop the site for broader purposes other than just their own uses.

The exception, existing hydro electricity generation sites: Subsection 19(1): “Despite section 16, facilities for generation of electricity located in a provincial park or conservation reserve that exist on the day this section is proclaimed in force may continue to operate and be maintained and, with the approval of the minister, may be improved, rebuilt or altered.”

The exception, not connected to the IESO grid: “Despite section 16 and subject to the approval of the Lieutenant Governor in Council, facilities for the generation of electricity may be developed in provincial parks and conservation reserves for use within communities that are not connected to the IESO-controlled grid.”

In summary, we are in support of the proposed changes to Bill 150 and we commend Minister Smitherman and MEI for its quick action and receptivity to promote these legislative changes. We think that another bold step is required to formalize First Nations at the decision-making level. The FNEA has committed itself to promote a regulatory and decision-making environment that will see the creation of strong, sustainable First Nations projects.

Our recommendations are as follows:

First Nations involvement must be part of the development of the renewable energy permit and appeals process. Much remains to be decided and formalized under the new permitting process and First Nations must be involved in those processes now. The First Nations Energy Alliance is an example of an organization that can take a lead role in this area.

The REFO must have a clear mandate to formalize a working relationship with First Nations through the creation of a First Nations advisory panel. The FNEA is an example of an organization that can be involved in this First Nations advisory panel.

The objects of the REFO set out in subsection 10(2) of the Green Energy Act need to be improved upon so that it is clear what “facilitation” means, and the powers of the REFO in relation to other ministries.

The Acting Chair (Mrs. Linda Jeffrey): Mr. White, you have about 30 seconds to wrap up.

Mr. Lee White: Okay. Thank you.

The Acting Chair (Mrs. Linda Jeffrey): Do you want to any closing statement?

Mr. Lee White: Okay. First of all, I thank you for this time. I believe that the Green Energy Act is a great opportunity for First Nations; and the fact that these opportunities are available to all Ontarians. I believe that the First Nations will have a place in helping with renewable energy projects and I believe that some of these amendments will actually make this a level playing field for First Nations.

The Acting Chair (Mrs. Linda Jeffrey): Thank you. We’re beginning with Mr. Tabuns.

Mr. Peter Tabuns: Thank you very much for the presentation. Could you tell us, first, who are the members of the First Nations Energy Alliance?

Mr. Lee White: Okay. There are a number of nations that are involved. There are also associate members—the Metis and corporations, although they are not voting. I can't exactly name all the members, but there are about, I believe, 30 members at present. If you would like, I can respond to that within the next day.

Mr. Peter Tabuns: That gives me a sense. The amendment with regard to hydro generation or electricity generation in parks and conservation areas—those bands or those communities that are not currently part of the IESO-controlled grid, are they diesel-generation dependent at this point, for the most part?

Mr. Lee White: Pardon me?

Mr. Peter Tabuns: For the most part, are they dependent right now on electricity generated by diesel?

Mr. Lee White: Yes.

Mr. Peter Tabuns: Okay. So if we're able to hook them up with wind or water, they would be able to shut down the diesel operations on their reserves or in their communities?

Mr. Lee White: Water, I think, would be a dispatchable energy; wind would not be, so it would not eliminate diesel. Although my understanding at this point in time is, some of the nations in the north, because of the diesel, are paying 54 cents a kilowatt hour, and that's everybody. So the idea of the parks being open—if you're going to do a project in a park for, say, a one-megawatt or two-megawatt tower, the EA process is practically the same, whether you're doing, say, a one-megawatt project or a 10-megawatt project. I think amend it to have the opportunity to take a project to something where you could broaden your goals and actually make this a profit-making deal.

The Acting Chair (Mrs. Linda Jeffrey): Thank you. The government side, Ms. Broten.

Ms. Laurel C. Broten: On the same proposed amendment, your submission states that the environmental impact will be the same as in the case where First Nation communities are permitted to develop a site for a broader purpose than just their own use. I was wondering whether or not the organizations that you're working with have evidence or scientific information with respect to the environmental impact assessment of a smaller site for your own use or a larger site, some for your own use and some for sale.

Mr. Lee White: I can't point to a specific example. I think the point here is that we're looking at the opportunity. As I've said, the cost of power in the north, which they're very dependent on, as noticed in the last go-around with the prices going as high as they did, I think what they're—it would point and give the opportunities that are there.

Ms. Laurel C. Broten: Thank you.

The Acting Chair (Mrs. Linda Jeffrey): Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Mr. White, for your presentation. My question was similar to Mr. Tabuns's. We had a gentleman from the First Nations Energy Alliance present to us yesterday up in Sault

Ste. Marie. He raised the issue of the First Nations up there, something like 29 of them, I think he said, that are dependent on diesel-generated power. Of course, your amendments would make it easier to develop those kinds of areas so that they could be self-reliant with respect to self-generated electricity other than diesel. I'm quite certain that the government will be taking a look at your suggested amendments. I can tell you that in my riding, many of the mills are actually working in partnership with First Nations to try to develop some renewable energy projects with respect to biomass, and I think we see some promise there. So we do appreciate your presentation today.

Mr. Lee White: Thank you.

The Acting Chair (Mrs. Linda Jeffrey): Thank you very much for being here today.

WORLD ALLIANCE FOR DECENTRALIZED ENERGY

The Acting Chair (Mrs. Linda Jeffrey): Our next delegation is the World Alliance for Decentralized Energy, WADE Canada.

Welcome. If you could announce your name and the organization you speak for, and once you begin, you'll have 10 minutes and then there will be five minutes for questions. Whenever you're ready, you can start.

Mr. Jan Bujik: Good afternoon. Thank you very much for allowing WADE Canada to present to your committee today regarding Bill 150, the Green Energy and Green Economy Act. My name is Jan Bujik. I'm a director with WADE Canada.

WADE Canada is a national not-for-profit industry association and a country chapter of the World Alliance for Decentralized Energy, a member-driven organization governed by a board of directors. WADE Canada's overarching industry voice and focal point for Canada is traditionally a fragmented, decentralized energy industry.

While at WADE Canada we applaud your efforts with Bill 150, we are also concerned that in its current form, Bill 150 fails to provide equal support for high-efficiency combined heat and power, also referred to as CHP, projects. We believe there is enormous potential in Ontario for the expansion of CHP capacity to contribute to the green and clean environment.

Our key recommendations are shown on this slide. Regarding CHP, we support the recommendations that have been developed by the Green Energy Act Alliance on the incorporation of CHP in the Green Energy Act. We also urge the introduction of CESOP as soon as possible and incorporation of recommendations as have been submitted by various industry associations such as APPrO, the Association of Power Producers of Ontario; CDEA, the Canadian District Energy Association; and OGVG, Ontario Greenhouse Vegetable Growers. They have all been fairly consistent in their recommendations.

1420

Regarding biogas applications, the rates and the feed-in tariff are extremely encouraging. We do, however, rec-

ommend a further differentiation of the rates, specifically as they apply to small, farm-based projects. We believe that there's a case to be made to have special rates that apply for projects under 500 kilowatts and specifically in the 100-, 250- and 500-kilowatt segments.

Regarding biomass applications, the base case that the pricing is based on is a 30-megawatt biomass power generation plant, which would be located right beside a pulp and paper mill. Our assessment is that the application and the technology development for biomass fuel-powered generation and cogeneration will be more localized, smaller projects, often as part of district energy systems, and that they will be more in the one- to 10-megawatt size range, and there, too, a further differentiation of rates that encourage the development of these smaller projects is implemented.

Regarding landfill gas, the current FIT rates are lower than they used to be under the RESOP program. Our recommendation is to keep the landfill on par with the biogas rates, given that in many cases, the rate structure also has to support the implementation of the gas collection system. As the landfill opportunities are looking at smaller landfill sites, the respective costs are relatively higher than what was experienced before.

This is a picture that I want to show to underscore the importance of proceeding with a CHP program and to highlight what I would call the "unintended consequences" of the delays and implementation of either a standard offer program or a feed-in tariff that applies to combined heat and power.

What you see in the picture here is a greenhouse in the Leamington area that has recently switched to burning coal. Over the past three or four years, there have been as many as 15 to 20 greenhouses that have switched to burning coal as the fuel of choice. Conservative estimates of those greenhouses are that this is a combined area of about 300 acres of greenhouse space. When you look at the annual gas consumption of a greenhouse to heat an area like that, the gas consumption typically is 225,000 cubic metres of gas per acre, per year. If you look at replacing that natural gas with coal, the coal that's being burned currently in those greenhouse would be the equivalent of having a 200-megawatt coal-fired power plant that runs for about 1,000 hours a year. There's a serious issue here. There's a serious opportunity that's being missed by the ongoing delays in implementation of a CHP program, where greenhouses are natural for the implementation of CHP. Until such a program is out there, they're looking for other means to reduce their energy costs, and coal is a fuel that recently has attracted several greenhouses as the fuel of choice.

Building a little bit on the CHP aspects, at WADE Canada we fully support the maximum utilization of renewables. When maximizing the use of renewables—maximizing wind, maximizing solar voltaics—you start to get a power infrastructure that requires more and more dispatchable generation. Because of the uncertainty of power generation and the uncertainty of wind, power from these renewable sources is available to maximize

the utilization of renewables. It is important that also dispatchable generation is being created. What I would like to highlight is the potential that exists with combined heat and power to not only provide dispatchable generation, but to provide dispatchable generation at the highest possible efficiencies.

Being recognized overseas are jurisdictions like Germany, Denmark and Holland that are on this track to maximize renewables, and they are also renewing their focus on incorporating combined heat and power in their system infrastructure. What you see here is a picture of an energy system in Denmark combined with thermal storage that allows for the production of power during times when power is needed, and by storing the heat in the big tank, you can then utilize the heat during all the times of the day.

In Ontario, we have a phenomenal opportunity to do the same thing with greenhouses. Greenhouses already include thermal storage tanks. The picture you see here is one greenhouse in Leamington or Kingsville, which happens to be the one greenhouse that was successful in responding to a CHP RFP. The greenhouse already had two thermal storage tanks. In a project like this, engines will run only when power prices justify plant operation. All the heat is being recovered; it will be stored in a thermal storage tank, and when heat is needed in the greenhouse, it will then be transferred into the greenhouse.

In addition, the exhaust of the engines will be cleaned up. Components like carbon monoxide, NO_x and ethylene will be removed, and the exhaust will then be directed straight into the greenhouse, where plants absorb the CO₂, and that will enhance plant growth and increase plant production. So greenhouses are here—

The Chair (Mr. David Oraziotti): Excuse me, sir. That's time, but if you want to take 30 seconds and wrap up, go ahead.

Mr. Jan Bujik: All right. I figured I wouldn't get through the whole presentation. Again, thank you very much for allowing me to speak here. I believe that the Green Energy Act is allowing us to do what's right and develop the energy infrastructure that we, as a province, would like to see, and put the incentives where they need to be in order to develop this energy infrastructure as cost-effectively as possible. Thank you very much.

The Chair (Mr. David Oraziotti): Thank you for your presentation. Ms. Broten?

Ms. Laurel C. Broten: A very interesting presentation, and thank you for it.

It's my understanding that jurisdictions such as Germany have recognized the importance of CHP, but they've also recognized in some ways that it is different than other forms of renewable energy—perhaps it needs a different economic model; it has different environmental impacts. So they have brought forward a mechanism where their CHP process is different from their renewable energy process. It's incremental and it has a number of different concepts. It's my understanding that the OPA is developing and offering separate procurement

processes for CHP right now. I'm wondering if you can comment on the German model and what works, what doesn't work and whether that's a model that we could look to?

Mr. Jan Bujik: Actually, I'm not intimately familiar with the German model. I can comment on where the Ontario situation is today. The OPA, three years ago, first introduced the draft program rules of what was then called the CESO program, the clean energy standard offer program. Stakeholders felt that benchmarks were missed and that price levels should be changed to reflect what was needed to develop these projects. By May of last year, the OPA came out with a revised program, which was widely recognized as a solid program that had the right structure to allow projects to be developed. The only drawback was that it was a value-based program, not a cost-based program. So the calculation was based on what the OPA felt would be the value of power produced, and basically relating the value of power to what the cost is to produce power with a combined-cycle power plant—

The Chair (Mr. David Oraziotti): Thank you. I'm going to have to stop you there. We have to move on. Mr. Yakabuski?

1430

Mr. John Yakabuski: Thank you very much, Mr. Bujik, for joining us today. I was intrigued by some of your information. Given that the current government has made a mantra of demonizing coal as an energy source, that they would stand by and allow greenhouses to convert to it across southern Ontario—because I have not heard so much as a whimper from the government with respect to that. But then again, back in 2007, they actually made a grant to Dofasco to convert their blast furnaces to pulverized coal at that time. So sometimes you wonder where the consistency is. That's certainly something that I think proponents of green energy should be concerned about, if that's the case. We certainly hope we can get some more information as well.

It looks like you have a concern that natural gas combined heat and power projects should also fit somehow into the FIT program, so that they would be rewarded for their contributions to green energy. I also see that you have some concerns about the numbers with respect to biomass and biogas, to see whether they are sustainable or viable at those kinds of rates. Could you comment on my—?

Mr. Jan Bujik: A few comments here. The coal issue, I think, is a big issue that not many people are aware of. It's made possible because in the agricultural sector—the emission regulations don't apply to an agricultural facility the same way they apply to an industrial facility. So there's an environmental permitting and regulatory issue with greenhouses and agricultural business, in general, which allows this to take place.

Mr. John Yakabuski: Air is air, isn't it?

Mr. Jan Bujik: So the debate is, "Okay, should this be governed by regulatory changes or should this be recognized as an opportunity to provide a program that

implements CHP?" It's similar to what's happening in the Netherlands, for example, where you cannot get financing to build a greenhouse unless you include a cogen project. With 10,000 hectares of greenhouse space, there are about 2,800 megawatts of cogen capacity installed in the greenhouse industry in the Netherlands. That's more than 20% of the total peak demand in the country—

The Chair (Mr. David Oraziotti): Thank you. I'm going to have to stop you there. We're going to have to move on. Mr. Tabuns?

Mr. Peter Tabuns: I didn't want to slow you down in mid-flight, but I have a few questions. You don't have a recommended price per kilowatt hour for CHP-generated power in your document, or if you do, I missed it. What do you suggest as the range that would make sense?

Mr. Jan Bujik: It's not the price, it's the structure, and the structure is the way that was recommended by APPrO and CDEA and OGVG, and that is to apply the results of the first CHP RFP, being a reflection of the cost of CHP, and use those benchmarks in the CESOP program as the draft rules were published a year ago.

Mr. Peter Tabuns: Do you have a sense of the potential scale of biomass and biogas electricity production in Ontario? Has anyone done a study?

Mr. Jan Bujik: I did a very rough assessment about four or five years ago. It was based on the total area of agricultural lands in Ontario, compared to German numbers; there would be an opportunity to develop at least 5,000 megawatts of biogas-fuelled power generation in the province of Ontario by having a fully integrated system that looks at food, feed, energy, crops. But if you optimize it, substantial numbers are possible.

Mr. Peter Tabuns: So that's the ballpark we're talking about.

Mr. Jan Bujik: That is just me sitting behind my desk, saying, okay, if I look at the German assessment and how much power they can generate by optimizing the biogas business based on total area of agricultural lands, and if you then Google what the total area of agricultural lands in Ontario is, you get numbers like that.

The Chair (Mr. David Oraziotti): Thank you. I'm going to have to stop you there. That's time for questions and your presentation. Thank you very much for coming in today.

Mr. Jan Bujik: Again, thank you very much.

STANTON FARMS

The Chair (Mr. David Oraziotti): The next presentation: Stanton Farms, Garry Fortune.

Good afternoon. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation. There will be five minutes for questions from members of the committee. Whoever will be speaking, or if you both will, please state your name for the purposes of recording Hansard. You can begin your presentation when you're ready.

Mr. Garry Fortune: My name is Garry Fortune. I am an energy consultant representing Stanton Farms. With

me is Doug Carruthers, who represents Organic Resource Management. It's a pleasure to be invited to speak before you. We appreciate it very much.

I'd like to say first off that we believe that the Green Energy Act has a tremendous potential in terms of developing an on-farm biogas industry here in Ontario. What we'd like to do is show you how that can happen—some of the success stories that we have just down the road.

Stanton Farms is located just outside of London, Ontario. It's a 2,000-dairy-cow farm operation that was recently moved from London, Ontario, and had to be reassembled because of urban growth in the London area. It just commenced operation in the last year. Incorporated into that is a state-of-the-art biogas facility, which you can actually see. What we do there is we capture all of the waste material from the farm, the 2,000 dairy cows that are currently on the farm. We collect all of that and we process it through a biogas facility. Every one of those cows can generate between three and four kilowatts of energy per day. What we do is we take that methane, and when we put it through the digester, it creates methane gas. We take that methane gas and we burn it in generators to provide clean, renewable energy for the neighbouring community.

In our first phase over at Stanton Farms, we'll be able to produce 1.3 megawatts of clean, renewable energy. That will produce enough power to power up over 800 homes—the entire town of Ilderton, Ontario—and then we'll be sending some more power this way, to London. It's quite exciting when you really look at it.

We can also increase our production by adding off-farm waste from the food service and food processing industry. This is the type of waste that ends up in landfills or ends up being sent to the waste water treatment facilities through the wash systems and through the waste systems of food service and food processing industries. Of course, it ends up taxing those systems and ultimately, at the end of the day, it ends up with the taxpayers having to pay to expand those facilities when they need the extra capacity.

We're also looking at Stanton Farms in terms of cleaning the gas for inputting into the gas pipeline system. That will heat your home and your hot water tank as a renewable form of natural gas.

But unlike wind and solar, there's much more infrastructure that's required here. It's not simply a matter of relying on when the wind blows and the sun shines; we have to have a process to create the gas and to process that gas. What you see here, for instance, is in essence our underground sewer system that collects all of the waste on the farm and processes it into the digester facility that we have. There's a tremendous amount of infrastructure that's needed for processing the fuel and actually creating the fuel source that can provide the methane gas.

We also have a cogen system. What we do here is we take the gas, and once we burn it and the generators turn, it creates electricity. We put it out into the hydro lines for the local community to use. We actually recapture the

heat that's generated from those generators, and we use that heat to heat up the facility and the waste material as it goes into those tanks, because we have to keep it at a certain temperature—37 degrees Celsius—to accelerate the bacteria growth in it. We also use that heat to heat our in-floor radiant hot water system that we have throughout the facility. When we designed the new facility, we put tubing in the cement flooring, and we run hot water through that. We actually heat the hot water using the heat that's generated from the generators. We're also looking at heating a school that's located less than a kilometre due south of our biogas facility.

1440

Once the organisms, of course, have done their job, in terms of chomping away on the solids and creating the gas, what's left over is the fibre—the inorganic matter—and the liquid.

What we have here is a sample of this, and I'd just like to pass it around to you. I assure you that the pathogens have been killed in this process. That's the beauty of the anaerobic digestion process: The pathogens have been killed and the odour is eliminated. What we have is simply the inorganic matter that's left over. These are really the lignins of the fibres of the plant material that the animals eat. If you smell it, you'll see that it basically smells like peat moss. The farm uses that as animal bedding. We also market the excess as a peat moss replacement product for the landscape industry. We're also involved in a research project with the University of Guelph, looking at biomaterials. We have a sample of fibreboard being passed around, which we can manufacture from the leftover fibres. This is a very strong fibre, so we're looking at adding that to plastic manufacturing in car parts and other types of parts.

Of course, the other product that's left over is the liquid nutrient by-product. That becomes an organic fertilizer, providing an alternative to the use of chemical-based fertilizers, so we're able to use it on-farm for crop growing. Again, the beauty of that is the odour has been eliminated, the pathogens have been killed, and of course it doesn't pose a risk to groundwater quality. In collaboration with the University of Western Ontario, we're looking at a project where we actually take that liquid by-product and feed it to algae in a greenhouse operation. The algae grow, multiply and create an oil. We can extract that oil and convert it to biodiesel to operate the farm equipment. What's left over is a protein by-product—in essence, the dead algae. We're able to take that, feed it back to the cows as a protein supplement, and the leftover water can be cleaned and fed back to the cows.

What we'd like to say here is that there's tremendous opportunity in terms of on-farm biogas. It is really the reliable renewable. It has the ability to generate 24-7, not simply when the wind blows or when the sun shines. It also has tremendous environmental benefits. Methane gas is 21 times more potent as a greenhouse gas than CO₂. The traditional means of spreading manure on land releases methane into the atmosphere. What we're doing in this process is capturing it, converting it to clean,

renewable energy, and of course developing valuable by-products. We decrease odours. We reduce pathogens. We are able to convert the by-products to valuable by-products. We're able to divert waste from landfills. We can decrease disease-causing pests, because the manure is not spread on land, attracting flies and creating larvae. We also are able to reduce herbicide use on the farm, because traditional means of land-applying the waste results in weed control problems, but when we put the waste through the digester system, the weeds don't survive that process.

These are just a few of the environmental benefits, both on- and off-farm. Of course, it's a matter of creating a rural green economy. Virtually all of the biogas facility put together at Stanton Farms was locally sourced. It provides farm diversity by providing additional on-farm income for farmers at a time when they certainly need it. Also, ongoing maintenance creates a service industry, and of course there are value-added by-products, which I've explained to you.

I just want to quickly show you some statistics about what's happening in Germany—tremendous opportunity. In Germany, there are over 4,000 biogas operations today, creating over 1,400 megawatts of renewable energy. In comparison, the average nuclear power plant today in Ontario generates about 500 megawatts. In Ontario, we have five—less than 700 kilowatts. A thousand kilowatts are in a megawatt. In Germany, they predict that by 2020, 17% of their renewable source will come from on-farm biogas. In Ontario, we predict that 12% of all of our renewables will come from—all of our generation will come from renewables by 2025. That's the target we've set here in Ontario.

Today, there has been over \$1.5 billion invested in on-farm biogas, creating over 10,000 jobs, and they predict that by 2020, there'll be \$10.5 billion invested, creating over 85,000 jobs. Why? Because they have an incentive program that has allowed them to do this. They incentivize the feed-in tariff rate and they also provide additional incentives for the things that we've been trying to do at Stanton Farms: the heat recovery projects, the bio projects, using certain types of waste like manure, for instance. But one of the challenges we've faced here is the fact that there's a disconnect between the Ontario Power Authority and the energy board in terms of getting things done here. Really, what it comes down to is—

The Chair (Mr. David Oraziotti): Mr. Stanton, I'm sorry, that's time. But if you want to take 30 seconds and wrap up, you can do that and then we'll have a few minutes for questions.

Mr. Garry Fortune: Sure. One quick point, and that is we believe that there's a need to change the feed-in tariff rate to incentivize it more if we really want to see the development of an on-farm biogas industry, because there is truly tremendous opportunity to develop that and a true rural green economy. Thank you, Mr. Chair and members.

The Chair (Mr. David Oraziotti): Thank you very much, Mr. Fortune; that's appreciated. We'll go to Mr. Yakabuski first.

Mr. John Yakabuski: That's a great presentation. We've been dying to hear that. I've talked about biogas on a number of occasions, and its potential. You touched on one of its strengths, that it is totally dispatchable. Once it's in the system, once we have the facilities, it's totally dispatchable, which is the inherent weakness of wind. In spite of what might be seen as some of the qualities of wind, the fact is that dispatchable is significant.

There are tremendous amounts of agricultural waste on our farms, which is a problem in itself that we have to deal with on an ongoing basis. If we had the ability to have enough of these located in strategic areas—and I want you to tell me about transportation problems too, because I think there are some—what could we see as the total megawatts from biogas from Ontario?

The other question I have is, is the FIT rate realistic? Is it doable at the current FIT rate?

Mr. Garry Fortune: To answer your first question, there's certainly no reason why we can't duplicate what's happened in Germany. Our agricultural base is similar to what Germany has done and there are over 4,000 on-farm anaerobic digesters.

In terms of the FIT rate, no, we don't believe that the power authority has looked at the actual capital costs involved in this. We've tried to get some information from them in terms of how they've rationalized their rate of 14.7 cents, but they haven't been able to provide any information. As you can see, there's—

Mr. John Yakabuski: Perhaps because they favour wind.

Mr. Garry Fortune: As you can see, there's a lot more infrastructure involved for on-farm biogas, but the fact is you get that many more benefits. You get more tremendous environmental benefits and tremendous ability to develop a rural economy than you do with the others.

Mr. John Yakabuski: Plus we help the agriculture business, which has always struggled to find new sources of income.

Mr. Garry Fortune: Absolutely.

The Chair (Mr. David Oraziotti): On that, thank you, Mr. Tabuns?

Mr. Peter Tabuns: First of all, thank you. A very impressive presentation. What is the tariff level that you would be looking at for this to be viable? And secondly, as in Germany or any other places that utilize biogas, it looks to me like you have a fair amount of waste heat. You're trying to utilize it, but you must have more than you can handle. Are there other places where they utilize the waste heat to run greenhouse operations as well?

Mr. Garry Fortune: Absolutely. To answer your first question, in terms of Stanton Farms, we believe that the rate needs to be in the neighbourhood of 20 cents. In Germany, the rate is 30 cents Canadian—20 Euro cents, roughly—but the way they come to that is they have incentives for other things like heat recovery. The feed-in tariff that the Ontario Power Authority is proposing doesn't take that into account. You can see the infra-

structure that's required to build a cogen system. They don't provide that incentive there to do that, so it's a cost to do that stuff. We need to have incentives to do that. In terms of your second question, I apologize—

Mr. Peter Tabuns: Price and whether or not people connect in to greenhouses to deal with their waste heat.

Mr. Garry Fortune: Absolutely. Certainly, one of the benefits of it is to be able to feed greenhouse operations. We're actually also looking at taking that extra heat and using it to concentrate the liquid by-product, because there's merit in terms of cost advantages of concentrating the liquid for land application and also for marketing purposes.

The Chair (Mr. David Oraziatti): Mr. Ramal?
1450

Mr. Khalil Ramal: Thank you for your presentation. I think it's very impressive. I had the chance to visit Stanton Farms a couple of times and I was so impressed.

Mr. Fortune, you mentioned many technologies involved in the project and also some other benefits. My other question is, how much do you need in order to sustain your operation and make it viable to continue in business?

Mr. Garry Fortune: Again, I think the rate that Stanton Farms believes—it needs to be in the neighbourhood of 20 cents per kilowatt hour, as opposed to 17 cents, and there have to be incentives, whether it's a combination of incentives that do that, in terms of heat recovery incentives, the use of different types of waste material.

As far as benefits, there are tremendous environmental benefits on-farm, dealing with on-farm waste and reducing pathogens, the things that caused Walkerton issues, but also taking off-farm waste from the food-services. Think of this facility; think of going into a grocery store and everything that you walk by that isn't sold or goes past its expiry date ends up in a trash compactor headed down the road to a landfill, sometimes in Detroit. But all of that stuff can be diverted into facilities like this. So there are tremendous on-farm and off-farm benefits, as well as the rural economic development potential. We are able to provide farmers with additional sources of income by taking tipping fees for the waste material, but also developing these other types of initiatives where we can sell the energy.

But we have to get a fair price back for the investment that's made. Our concern is that the Ontario Power Authority and energy board have not looked at the true costs of on-farm biogas. It's sort of been ignored by them. It's like the orphan renewable. But there is a tremendous amount of opportunity. If you really want to look at renewable that has tremendous opportunity, you just need to look at what's happened in Germany. There's no reason why we can't duplicate that here.

The Chair (Mr. David Oraziatti): Thank you very much. That's the time.

Mr. Khalil Ramal: A quick one: Are you connected within universities or colleges in order to further your research?

Mr. Garry Fortune: Absolutely. We're doing some really exciting stuff. I mentioned to you a couple of projects that we're undertaking in terms of researching valuable by-products, the fibre biomaterials; also, we have the algae, biodiesel. We're actually in a lab facility right now growing different types of algae, feeding them the liquid by-product of the digester. We're also looking at cleaning gas. One of the most interesting things I found out last week—we've been talking with the University of Toronto. We have a partnership with the University of Toronto and NCERC. We're actually looking at taking the fibre that we generate, converting it to carbon, using that to clean the gas in a carbon-cleaning system so we can create another completely closed-loop system. There's tremendous opportunity.

The Chair (Mr. David Oraziatti): Thank you very much for your presentation.

Mr. Garry Fortune: Thank you very much, Mr. Chair and members.

FRASER CONSULTING AND ASSOCIATES

The Chair (Mr. David Oraziatti): Our next presentation is Fraser Consulting and Associates, Barry Fraser.

Good afternoon, Mr. Fraser. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five for questions. Just state your name for the purposes of Hansard and you can start when you like.

Mr. Barry Fraser: My name is Barry Fraser, with Fraser Consulting. Mr. Chair and members of the committee, it's a real honour to be able to present to your committee this afternoon my thoughts toward the Green Energy Act.

I have a background in primary livestock and crop agricultural production in the province as well as a strong current interest in a wide range of rural community economic development opportunities. I just heard reference to that from a previous speaker, as far as these rural economic development activities.

I act as a private consultant to these sectors, so today I want to make two major points that show support for the act from a general perspective. First of all, green energy is, and will be, a strong economic generator toward rural economic as well as urban community economic development across the province. Further, green energy must not compromise the health and safety of our environment but, rather, enhance it.

Again in reference to the previous speaker, I heard reference to Germany as a world leader and now I'm going to make reference to the country of Australia. I've just returned from a one-month study mission to Queensland, Australia, where I was leader of a Rotary group study exchange. Our group found that Australia sees itself as a world leader, just as Germany does, in green energy development as post-Kyoto negotiations and discussions continue. This is a country where there is no nuclear electrical generation but instead a continued

development in coal-fired electricity generation based on cutting-edge technology. This involves minimal emissions based on oxy-fuel technology—which can be retrofitted to existing power stations, I might add—and injecting the by-product, CO₂, for geo-sequestration underground. The direct result of all that is impacting the amount of CO₂ released by coal-fired power stations around the world, by using technology such as that.

I also noted that the amalgamated municipalities in Queensland, Australia, see the construction of these plants, the associated transmission grids, and also the wind turbines and solar collectors all adding up to economic stimuli in their largely rural areas.

Ethanol production based on crop products and biogas generators on livestock operations also add to this stimulus on an ongoing basis. This also encourages the development of sustainable and mutually beneficial partnerships. It provides economic prospects; opportunities for local, state and national suppliers of equipment, services and industrial safety equipment; and as well, of course, transportation, housing and road infrastructure. Of course, the same would also apply here in Ontario, with the vast majority of this increased economic activity actually being generated in rural Ontario.

My second point that I wish to bring out is that the green energy development must not compromise the health and safety of our livestock on our farms as well as people in both rural and urban Ontario. Well-funded research needs to be a priority in this area to ensure green energy is indeed “green.” New and existing infrastructure must also do what is expected of it, based on accepted existing and developing standards. These standards should always be based on defensible, science-based research. This includes any thresholds and mitigation procedures for stray voltage and current as directed by the private member’s bill, the Ground Current Pollution Act, and the Ontario Energy Board, both now and in the future.

Also included should be any new standards developed by authorities for electromagnetic fields, which may well be impacting livestock and human health. Strong conservation and environmental responsibilities in electricity transmission must be a priority. I submit that anything less is a detriment to the environment and a real cost to society in terms of health and cost efficiencies.

In conclusion, Mr. Chair and members of the committee, the Green Energy Act must ensure much-needed high safety and environmental standards. It will also empower local communities, especially rural, to take an increased role in energy generation and be monetarily recognized for it. It is my hope that this will provide real, tangible opportunities for rural community economic development. The end result will then be very positive developments toward renewable energy and conservation, and therefore environmental protection.

Mr. Chair, if there are any questions or comments, I’d be pleased to respond at this time.

The Chair (Mr. David Orazietti): I assume there are. The rotation is at Mr. Tabuns, who’s not here. Ms. Broten, would you like to go ahead?

Ms. Laurel C. Broten: I just wanted to ask you a question with respect to the CO₂ sequestration analysis and I think some activity being undertaken in Australia. You’re not a geologist though, sir, are you?

Mr. Barry Fraser: No, I am not a geologist and I don’t put myself out to it, apart from the fact that what I heard and saw demonstrated in the new technology and the new power plant that we toured there—\$1.2 billion; it just opened up in the last 12 months—is a testimony to itself.

Ms. Laurel C. Broten: Certainly you understand that you need a certain geologic strata to be able to even examine that issue. Our province is not one that has huge oil fields where you can potentially look to that sequestration, and even in the western provinces, where they might look to that, they have a certain geological strata that would allow that, so you appreciate that there are differences in Ontario with respect to our underground opportunities for that.

1500

Mr. Barry Fraser: I fully appreciate that, apart from the fact that it does draw information forward, and that we should always be reviewing what the possibilities and opportunities are to do whatever.

Ms. Laurel C. Broten: Sure. I think Mrs. Mitchell had a quick question for you.

Mrs. Carol Mitchell: Just a quick question: I met with a number of farmers from Australia quite some time ago, but one of their concerns at that time was carbon credits and the currency of carbon. They felt that the agricultural community needed to have much more information than it received when it in fact came into place and their communities were put in peril.

If going forward with cap and trade is where we go, how do you see informing the agricultural community? What should that look like?

Mr. Barry Fraser: The bottom line: There needs to be, as far as economic activity is concerned in the rural areas, incentives to do that. Of course, we know that agriculture deals with carbon all the time. In order to refer to all that, there need to be sound, research-based results that farmers follow very closely, whether that can come from research here in Ontario or from around the world. Farmers need to be convinced that it works, and if that’s the case, then the real incentive is dollars, at the end of day, and contributing to the overall health of the environment that’s out there across the province.

The Chair (Mr. David Orazietti): Thank you. On that thought, that’s the time. Mr. Yakabuski?

Mr. John Yakabuski: Thank you, Mr. Fraser, for being here today. Notwithstanding Ms. Broten’s comments, the Minister of Energy, whenever the issue of clean coal is brought up, scoffs at those who suggest it and suggests that they are somehow missing something, except when it’s mentioned that Barack Obama also has said that he is going to perfect this technology because the United States needs it. Then he has much less of a response. But their position is—and I’m not sure. I don’t think they’ve done any geological testing at all because their position is

that it simply doesn't work: "We're not going to go that way. We're shutting these things down and that's the end of it. Coal is dead." But it would seem to be evidenced in other jurisdictions that they're moving ahead on this in a rapid fashion, because it is the most abundant energy source on the earth and they're not going to give up on this; they're going to perfect this. Quite frankly, we could be at a disadvantage with the price of electricity from those jurisdictions that develop it.

What are your comments on that?

Mr. Barry Fraser: Certainly, based upon research, we know that technology and science are always moving targets, moving forward. We need to, obviously, put investment into that area. I simply bring forward the fact that there are jurisdictions in the world—and it allows me to ask the question as to why this and why that? It may well be that certain technologies obviously cannot be transferred absolutely, but there needs to be ongoing research to ensure that we're not bypassing opportunities, and in my case, relative to the rural economies across the province.

The Chair (Mr. David Orazietti): Thank you very much.

Mr. John Yakabuski: Thank you very much. We appreciate your presentation.

ONTARIO FEDERATION OF AGRICULTURE

The Chair (Mr. David Orazietti): The next presentation is the Ontario Federation of Agriculture, Don McCabe.

Good afternoon, gentlemen. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation. Just state your names for the purposes of Hansard. There will be five minutes for questions following your presentation.

Mr. Don McCabe: Thank you, Mr. Chairman. My name is Don McCabe. I'm vice-president of the Ontario Federation of Agriculture. I also have an opportunity to serve as the president of the Soil Conservation Council of Canada. Accompanying me here today is Ted Cowan, a staff member with the Ontario Federation of Agriculture and our lead energy researcher. Thank you to the committee for the opportunity to speak here today on the Green Energy Act and the possible impact that we see with farming.

First of all, to set some context, the Ontario Federation of Agriculture is a 38,000- to 39,000-member-strong general farm organization. We represent nine out of 10 Ontario farmers. We started down the road of working on the Green Energy Act and pulling together a partnership with the Ontario Sustainable Energy Association and the Environmental Defence Fund where we proposed the need for a green energy act. We applaud the government for now putting pen to paper and bringing such an act forward. But, as with anything, a few amendments might have an opportunity to improve this act even more.

As I step through this presentation here, I'd like to remind you of some points that I'll be making as I move through this again. Agriculture is a solution provider. We're already feeding you, we're fuelling you, and we're going to find even more opportunities in the future to do this. I also wish to take that theme and illustrate that we've got actual problems out there right now that need a science-based solution to ensure the enhancement of people and the environment. I wish to offer up some of those ideas here today in the form of amendments that might be possible within the act, to make sure that this entire deal is better for Ontarians as a whole.

As we move forward, currently, on-farm gross revenue is about \$9 billion a year in Ontario and net income was about \$50 million for 2008. Longer-term green energy can add about \$2 billion to the gross and \$300 million more to the net. Those are our general estimates as we move forward. But let's deal, then, with what we feel are some actual adverse aspects of green energy that are out there and what we feel can be done.

First of all, you've heard here today, and I'm sure you've heard it in other stops, the issues around noise. With regard to transformer noise, usually there's one of two things going on: that transformer is about to blow or it's been oversubscribed for the power going into it and wants to blow. Therefore, let's ensure that we've got the proper infrastructure in place to take the opportunities that are about to come and let's make sure that underground vaults become a low-cost, complete solution to that noise and add to the safety of Ontarians.

When it comes to tower noise, we have issues out there right now where folks are saying that this is disrupting their lives. Let's make sure the science is behind this to reduce that noise potential and look for opportunities to get that down to possibly as low as 45 decibels at night and no more than 50 during the day, because those are levels that we currently experience within the ag environment. But these distances must be set scientifically; we're not going to go at this in a helter-skelter manner. The other issue that needs to be taken into account here is that, as you multiply towers, you will increase noise. The appropriate separation distances need to be identified as we move forward in those contexts to take them into account.

This leads to the issue of effective enforcement. There must be provision for a rapid response to requests for noise testing. We cannot allow this to continue on as a distraction in the rural environment. We need to look at the examples that are currently out there. We have a tower at the CNE grounds. A lot of people are living and working within several hundred metres of that. It has not been a source of complaints. It's only a 600-kilowatt machine. The complaints seem to be associated with the larger 1,800- and 2,100-kilowatt machines. Let's find a scientific solution.

One of the things that we wish to propose is the possibility of a textured surface, such as dimples, or something like bubble wrap or an acoustic steel sheet being wrapped around this tower, adjacent to the blade, because this would break up the sound wave that's causing this noise.

Another issue that has come to the attention of the Ontario Federation of Agriculture is stray voltage. We appreciate the work that's being done by the Ontario Energy Board to put in the necessary steps and procedures to address this, but let's be clear: This is not witchcraft, this is not hoodoo; this is an actual problem that can be addressed in several ways. We need to ensure that proper collection wires are used to bring this energy to the transformer. We need to ensure minimum separation distances between collection lines and distribution lines go from five metres to 30 metres to not induce that stray voltage. And sometimes, the noise complaints that people have about wind turbines could be a result of stray voltage in their homes. Again, we need to get to the scientific base of getting this information out to where it can go.

1510

Moving forward to biodigesters: Biodigesters, as was alluded to in the second-last presentation, are an absolutely great opportunity. I wish to point out that farmers do not have any waste on our farms. We have under-utilized, under-paid-for opportunities. Let's make those biodigesters an opportunity to move us forward. We have good legislation in place from the Nutrient Management Act; let's use that principle and bring it forward. If it reflects on other opportunities here for setbacks with wind towers, so be it.

Solar farms: Want to talk food versus fuel? This is it. The OFA is very opposed to the distribution of solar panels on to class 1, 2, 3 or 4 ag land. This is food. I can put that solar panel out there and I can send power to your grid; or I can put an energy crop there, collect that energy and create jobs in the long term; or I can put a food crop there, feed somebody, take care of animals, put that manure into the biodigester, put a wind turbine in the middle of that food crop, and still do all the same jobs as I move forward. To put that into an example from south-western Ontario, 100 acres in grain will produce 500 tonnes of grain a year and 200 tonnes of crop residue that can be used as fuel, the land will fix 200 tonnes of carbon, and the crop residue will offset 70 tonnes of carbon from coal. There will be no erosion and the land will improve if done under no-till practices.

One of the issues that's missing under this act is the inclusion of solar heat. We could use that solar heat in some of our farm businesses, whether it is to keep the chicks warm or to help wash the cows when it comes to milk. Solar heat is not part of this act and possibly should be reconsidered.

On the issue of the feed-in tariffs, the OFA looks to have a continuum of opportunity that will address the needs of small operators to large. That discussion is best done as more data comes forward.

On another note, provisions for green energy co-ops could be expanded from green generators only to green fuel producers such as biogas and biomass. This would be a help to farmers keen to provide biomass to OPG, for example.

When it comes to the OPG issue, the committee should know that the Ontario Federation of Agriculture, in col-

laboration with other parties, has submitted a proposal to OPG on the intent-to-supply request that they made earlier this year.

Farmers will meet this market with the necessary resources in a sustainable manner, and you will still have the best-quality food basket in the world on your grocery shelves while we're doing this exercise.

I also draw the committee's attention to the fact that the current US farm bill has very good steps in it to make sure they incentivize that market down there. I need a competitive playing field. The 49th parallel only matters to Rand McNally because he needs to know where to draw it. I'm in competition with them boys. I need the same field.

We see the Green Energy Act as a step toward a bio-refinery approach. Again going back to the second-last presentation, there's a wealth of opportunity here. There is one carbon item on the periodic table. I prefer that we use the green stuff that's up on top that I can help provide to you, as an Ontario farmer, and for the needs of all Ontarians.

In closing, I look forward to your questions because I'm that supplier of that one green carbon item. Let's keep the dinosaur guts in the ground instead of turning them into dinosaur ghosts in the air. Thank you.

The Chair (Mr. David Orzietti): Thank you very much for your presentation. Mrs. Mitchell?

Mrs. Carol Mitchell: Thank you, Don and Ted. I don't know how many times I've heard both of you present on energy, but I do thank you for all of your hard work.

Specifically, I wanted to make reference to your paper on the transformer noise, the tower noise, and stray voltage and the reinforcement of science-based knowledge going forward. You're the first ones who have actually made recommendations specifically on that and how to address it. I do thank you for that.

One of the things that I want to talk to you about—I'm pleased to be able to have the opportunity—is the biodigesters. What do you believe should be the fixed rate going forward? Earlier, Mr. Fortune gave a rate. I wondered if that was something that you were prepared to do.

I also wanted you to comment, if you would, on whether or not more of the nutrients would be required, understanding that it would not become a waste site; the primary function would still be a farm. But do you need a richer mixture?

Mr. Don McCabe: I'll comment first of all on some of the current legislation that the Ministry of the Environment has imposed. It makes it difficult for biodigesters to actually acquire some materials that might enhance their performance, because they define things as waste. I'll use a separate example than the ones from a biodigester. It is my understanding from officials at the Ontario Power Generation group that distillers' grains from an ethanol plant are currently deemed an industrial waste. That's a pretty nasty statement, that our dairy cattle and beef cattle that we feed to Ontario families might be eating industrial waste. That's kind of a dumb label. It's not

industrial waste; it's just, again, an underutilized resource.

When it comes to pricing, I'm not going to get into an argument about what the right number should be. I'm going to come back to the issue of looking for a possible continuum, because northern Ontario herds will not have to be nearly as large, possibly, as southern Ontario herds or have the same supplies. We need to look at the opportunities.

The Chair (Mr. David Oraziatti): Thank you. Mr. Yakabuski?

Mr. John Yakabuski: Thank you very much, Don, for your presentation. I accept your clarification on my characterization of waste. I apologize for not recognizing that it is an underutilized resource that we could be taking tremendous advantage of, and I appreciate your clarification.

One thing that's interesting, but always one of the challenges of politics, is when you—and I know the OFA has endorsed the Green Energy Act. But what happens when you do that sometimes, of course, is the people who want you endorsing it—being the government of the province of Ontario today—take that as being unreserved and absolute. So whenever somebody raises questions about the act, they'll say, "Well, the Ontario Federation of Agriculture supports this act."

So we really do appreciate you coming in today. We understand you do support it in principle, and I understand why, because there are opportunities for agriculture within the Green Energy Act. We support that part of it. But we also really appreciate you coming in and pointing out there are flaws and there are things that need to be looked at with respect to sufficient setbacks for turbines, as you talk about. It's not unreserved, blind support of the act; you have issues of concern too, and we do appreciate that because I think those things have to be pointed out to the government as well. So we appreciate you coming in today.

Mr. Don McCabe: Thank you for your comments, sir. The bottom line: I think it's always important to try and get your foot in the door, and then it's my job to weasel the rest of this through, and therefore, that's the reason for the support of the act, to make sure that we get better support into the future.

Mr. John Yakabuski: Thank you.

The Chair (Mr. David Oraziatti): Thank you. Mr. Tabuns?

Mr. Peter Tabuns: Thanks for the presentation. It's very useful; both aspects. One question I have is about the calculation on the potential income, gross and net, for the agricultural sector out of green energy. Did you do a study or is there a study available that breaks down the sources of that revenue?

Mr. Don McCabe: We're in the process of dealing with, in particular, officials from the Ministry of Ag and Food to further refine the figures, but I would refer to my colleague here, Mr. Cowan, to further touch on your question.

Mr. Ted Cowan: I have to say, it's a bit more than a glance at the math of Germany, but—

Laughter.

Mr. Ted Cowan: Which is fair enough. You've got to start somewhere.

Mr. Peter Tabuns: You do.

Mr. Ted Cowan: We have a pretty good idea, based on OMAFRA's statistics, of what the industry earns now, and we've looked very carefully at existing biodigesters, what they're earning at different scales. We have good information on that.

We have a pretty good idea on what's available as crop residue from existing crops, but what we don't have there is a good idea, in each situation, of what has to be left on the ground to retain nutrients in the soil. So looking at around 30% recovery rates, we feel that we can meet the two million tonnes a year that OPG is looking for very easily. We can move to about five million tonnes a year without significant effort or losses on our part. At that point, we'll really have to work at it, but we believe that we can go into the range of 12-plus million tonnes a year. At that rate, we'd be looking at about \$1.2 billion from biomass alone at the current price of straw.

Then we're looking at wind potential, electricity sales and heat recovery. So the \$2-billion mark we think we can get at quite reasonably. That takes gross income from roughly \$9 billion up to \$11 billion; it takes net income—which bounces from year to year, in a tragic sort of way—from \$300 million in a bad year, which works out to less than \$20,000 a farmer, to \$600 million, pushing it to around \$40,000 a farmer in a good year. I think we could add at least 50% to that on the net from this, provided reasonable control stays with farmers on the production side.

The Chair (Mr. David Oraziatti): Sorry, that's time. Thank you for your presentation.

1520

WALPOLE ISLAND FIRST NATION

The Chair (Mr. David Oraziatti): Our next presentation: Walpole Island First Nation.

Good afternoon, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members. Just state your name for the purposes of recording Hansard and you can begin when you like.

Mr. William Big Bull: Good afternoon. My name is William Big Bull. I represent Big Bull's Energy Consulting. I'm doing work for the Walpole Island First Nation in Bkejwanong territory.

Ontario is on the doorstep of ground-breaking legislation that will pave the way for Ontario to embrace renewable and sustainable energy developed on a major scale. First Nations welcome this initiative with concerns as to its implementation. Our primary concern is how the Green Energy Act will create advantages and capacity for First Nation energy project development on tribal reserve lands.

First Nations are beyond being mere stakeholders; we are landowners with the right to develop our resources as

they arise in our traditional territories. First Nations believe there should be an all-inclusive, coordinated mandate in the province that recognizes benefits to all Ontarians, and First Nations don't want to be left behind.

First Nations look beyond the regrettable past of cursory consultation and abject accommodation. First Nations want participation as real players in the market with sufficient resources to accomplish financing and development of long-term energy contracts.

First Nations need access to the grid. First Nations experience special challenges to the connection process that need to be accommodated.

First Nations have become late players in the utility industry and lack adequate resources and capacity. First Nations are hampered by the special relationship with the federal crown, particularly the role of the fiduciary, Indian affairs. Ontario needs to engage in creative thinking and assist in unblocking the barriers that First Nations face. This means that Ontario will need to work with federal authorities to stimulate new methods of cooperation with them for the purpose of facilitating faster decision processes and permitting of First Nation projects.

First Nations are hampered by legislation restrictions and unclear understanding between federal and provincial authorities as to jurisdiction. Matters which should be well understood and matter-of-fact, such as road easements and power line easements on crown lands, are not simple in practice when the applicant is a First Nation.

A new awareness is prevalent within Ontario society, confirming that First Nations are stakeholders in the development of future power infrastructure. Much of the anticipated next wave of renewable energy projects and power infrastructure will be installed on lands that First Nations feel entitled to protect and guard as their own. First Nations are stewards to this land, but we are excited about becoming participants and proponents in the creation of these projects. Canadian law has made it clear on two points: (1) The crown has a fiduciary duty as it relates to First Nation lands; and (2) The crown has a duty to consult and accommodate First Nations as it relates to traditional territory and existing aboriginal and treaty rights.

I'll just skip on to the next page here.

In the case of land licences, easements often were created by default and through administrative inattention instead of oversight by INAC and the federal government. First Nations feel that their rights, historically, have been infringed upon or not upheld adequately, and now we worry about a repeat of the past.

First Nations feel that the development community has been insincere in its approach to the duty to consult. To give the development community some benefit of doubt, there probably has been confusion as to whether the duty to consult lies with the developers or with the crown. But those days of confusion are gone; developers today know they must deal with First Nations directly. It needs to be determined by crown entities what level of engagement third party corporations will have delegated to them, and First Nations need to be at the table when this happens—

not a process that occurs between developers and government entities without First Nations.

Through the past flawed processes of consultation and accommodation, development has proceeded on our lands and we have permanently lost sacred sites and burial grounds of our ancestors and hunting grounds of our fathers.

When First Nations attempt to improve themselves through economic development, it's not so simple. Barriers exist that need to be illuminated so that the permitting and crown governance agencies can deal better with the matters that First Nations face, and it is vital to do so quickly because the opportunities for resource development will be more available to those commercial entities that are equipped to respond on a timely basis.

Some First Nations desire to engage in energy infrastructure development to a high level of sophistication, including the creation and active operation of local distribution companies on reserve properties that will own and operate distribution wires for the purpose of supplying local energy customers. Under this scenario, a fundamental issue is that such power infrastructure on the reserves lies under the jurisdiction of the chief and council and is administered under the federal Indian Act, while the operation of the infrastructure is governed by the OEB, which exercises authority concerning rates, capital expansion and good utility practices on behalf of the Ontario government—in the case of First Nations, the question of when and if provincial law can be lawfully applied on reserve lands without the consent of chiefs and councils. First Nations who so desire are hampered with respect to their own projects that require access to grid-carrying capacity. The rules that the OPA uses to administer access privileges are designed for non-First Nation entities, and they are prejudicial to First Nations who must engage with federal authorities to make their projects move forward. Partnerships with capital sources are strained under the bureaucratic burden of requisite inter-governmental process that delays progress.

Switching on to the next page, First Nations are concerned about:

- future development of sacred natural resources that has the potential to adversely affect our communities in the long term, i.e. nuclear energy;

- the dominance of an industrialized and market-based system of development, promoting the privatization, commodification and appropriation of natural resources;

- national policies and legal systems that give precedence to private and/or industrial uses of natural resources over local and traditional subsistence practices by First Nations;

- national laws and resource extraction policies adopted by provinces and states which often violate existing treaties, agreements and constructive arrangements, as well as international human rights obligations;

- First Nations being left out of international processes addressing climate change, its causes, impacts and solutions.

First Nations are faced with incarceration and denial by provincial institutions if they speak out against the

problems created by industrial and generation facilities in our homelands, yet NIMBYism is tolerated. Why aren't local mayors and town councils penalized and given the same treatment?

Land issues: The Indian Act was created long ago, and it does not contemplate situations where First Nations are proponents of energy-generating projects on tribal lands. Such developments are subject to crown approval, which can embed the permitting process in a bureaucratic bog for years.

There are contractual and legislative restrictions on the use of tribal land that hinder First Nations in their desire to engage as proponents. First Nations cannot easily pledge the use of their lands nor grant securities or easements to outside agencies such as investors or lenders, as would be normal in a non-First Nation project. Any such pledge is nullified under section 18.2 of the Indian Act, and this can be overcome only through the direct intervention of the Minister of Indian and Northern Affairs Canada.

There are limitations imposed by conflicting federal/provincial legislation over such matters as access to land, chattels, non-taxable entities, and royalties. Even when the crown parties are acting in good faith and the outcomes are positive, it still takes time to work through these institutional barriers. Such delay weakens the strength of First Nations leadership to mobilize for capital projects. It's challenging enough in the world of renewable energy that typical development cycles are five years long. Try it when the First Nation approval processes add another five years.

I'll move on to the next page.

1530

Opportunities created by the Green Energy Act: With the onset of the Green Energy Act, First Nations wish to define content within the act to accommodate native issues. Developers and government policy makers must understand that First Nations have limitations on their own jurisdictions and exist with the constant involvement of a higher federal authority that is entrusted with fiduciary duties. Moreover, the federal government is constrained in its ability to serve the First Nations. The oncoming boom in renewable resources development in Ontario will no doubt challenge the federal authority in terms of engaging on behalf of its First Nation charges. Federal and provincial consultation must be—

The Chair (Mr. David Oraziotti): Sir, excuse me; I'm sorry to stop you. Your presentation is quite extensive. There's quite a bit of material here. You probably won't get through it all, as that's time, but if you want to take 30 seconds and just wrap it up, you can do that and then we need to move to questions.

Mr. William Big Bull: Fundamentally, why we're sitting in front of you today, as a provincial authority, is to deal with some of these problems that face First Nations. You can say that in Canada it's a universal problem with provincial and federal jurisdictions and why we keep incurring that expense when we decide to develop First Nations energy projects. Those limitations in the

values that are available, as far as—if you take the view of all mainstream Canadians, First Nations are cut off at the knees as soon as we enter this arena, simply because, as I said, we're late players. But at the same time, because we live within this little enclave of law, which is reserve lands, it creates doubt in investors' minds and it hamstring our capacity to be able to move as effectively into the game as all other developers.

The Chair (Mr. David Oraziotti): That's the time for the presentation. We're going to go to questions, and Mr. Tabuns is first up.

Mr. Peter Tabuns: First of all, thank you very much for the presentation and for coming out here today to talk to us. Is there a lot of interest in First Nations communities in developing green energy?

Mr. William Big Bull: It's increasing. I think it has really more to do with immediate energy matters. This is an economic opportunity. Viewing it that way as opposed to coming in as a private developer, which really is the opportunity—it's more a collective value.

Mr. Peter Tabuns: Are you seeing more interest in developing First Nations green energy in the south or in the north?

Mr. William Big Bull: I think it's probably parallel. I guess it's the way information is disseminated and how the opportunity is created, which is probably fundamentally—

Mr. Peter Tabuns: —what shapes who is interested and who is not?

Mr. William Big Bull: Yes.

Mr. Peter Tabuns: Okay. Thank you.

The Chair (Mr. David Oraziotti): Next question, Ms. Broten.

Ms. Laurel C. Broten: I understand that Walpole Island First Nation is interested in building a 10-megawatt wind project on the reserve lands.

Mr. William Big Bull: That's correct.

Ms. Laurel C. Broten: You've been participating in the OPA's outreach on the feed-in tariff at this point?

Mr. William Big Bull: To some degree, yes. We've attended one meeting.

Ms. Laurel C. Broten: Have you had any engagement—as you know, the Green Energy Act seeks to facilitate the approvals process, over which we have responsibility, as the province. I'm wondering if you have any advice or thoughts as to how perhaps we or yourselves could engage the federal government with respect to the added layer of approvals that you will have to deal with for federal reserve land, and that will trigger much more federal involvement than we would see in other jurisdictions.

Mr. William Big Bull: I suggest we get rid of them and we run it.

But beyond that—and I'm not being facetious here—I think there really needs to be the very same question that we've gone to the table with this previous summer, when the original hearings were going on. There seems to be kind of a sense that there needs to be some kind of high-level policy discussion between federal and provincial

governments. There is actually a development right now with the renewable energy strategy; there's a second round of discussions going on to refine. But I guess the dilemma, if I can just take another couple of minutes here, is that along with that they're amending the federal CEEA at this time. So the timing and the timelines for these things to happen, based on what environmental assessments and what approvals are required, are really fundamental, and that's really the value this committee brings.

The Chair (Mr. David Oraziotti): Thank you. Mr. Yakabuski?

Mr. John Yakabuski: Thank you very much, sir. I apologize, I had to leave so I won't have too much to question you on, but part of your presentation does seem to focus on the issue of provincial/federal jurisdiction with regard to First Nations and certainly it would be good for all of us to be able to have those things streamlined and clear, so that projects that affect First Nations could proceed in a more certain fashion, I suppose.

Mr. William Big Bull: Absolutely, but I think also in that there is the First Nation participation at the chief and council level, because there is another level of approval that we're faced with and that's in our own communities. The consultation level that we engage in is more to serve the tribal interests and pass them on, which I guess isn't the best way to get business done, and I think that in that process because of the case law—but now that you have accommodation and consultation taking place, we don't want to be seen as simply being another step forward for Big Brother to take over opportunities from the little guy, whoever that is.

Mr. John Yakabuski: Right. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation and for being here this afternoon.

Mr. William Big Bull: Thank you very much. Have a good day.

LONDON AND ST. THOMAS ASSOCIATION OF REALTORS

The Chair (Mr. David Oraziotti): The next presentation is the London and St. Thomas Real Estate Board.

Good afternoon and welcome to the Standing Committee on General Government. Please have a seat. You have 10 minutes for your presentation and five minutes for questions among members of the committee. Whoever will be speaking, or if you're answering questions, just state your name before you do that when first presenting or responding to a question for the recording purposes of Hansard. You can begin when you like.

Mr. Joe Hough: Good afternoon. Thank you for the opportunity of presenting to this committee on the Green Energy Act. My name is Joe Hough. I am president of the London and St. Thomas Association of Realtors. Joining me today is Bruce Sworik, by my side here, LSTAR's past president and chair of our government relations committee.

Just as a point of background, London and St. Thomas Association of Realtors represents approximately 1,474 real estate salespeople and brokers. Our association was founded in 1936 to organize real estate activities and develop common goals in the region. These goals include promoting higher industry standards and preserving property rights.

We are pleased to be here today to speak on Bill 150. London and St. Thomas area realtors have a number of concerns with respect to the bill. However, our presentation will focus on our opposition to subsection 2(1) of the bill, which requires mandatory home energy audits.

LSTAR believes very strongly that mandatory home energy audits will impose unnecessary costs on home owners and sellers, acting as yet another barrier to home ownership in this region.

Bruce, would you like to carry on from there?

Mr. Bruce Sworik: Thank you, Joe. Like other areas of the economy, the local real estate market is feeling the effects of this recession that we're in right now. Current unit sales in the LSTAR district—London and St. Thomas—are down about 24% so far this year. Despite the doom and gloom, our membership has remained committed to helping people in this area achieve their dreams of home ownership in Canada.

Unfortunately, prospective home buyers in the London and St. Thomas area have been faced with a double whammy of not just new taxes and new regulation in recent years. We have rising property taxes. We have GST. We have the new harmonized tax which has been talked about. We have just gone through FINTRAC paperwork etc. So there are financial obligations on the buyers, and there is also an awful lot of paperwork involved.

1540

Time and time again, the government has established barrier after barrier to hard-working residents who want nothing more than just to own a home and have a roof over their heads. Bill 150 and mandatory home energy audits are yet another cost, yet another regulation on real estate that will make it even more difficult for residents in the London and St. Thomas area to buy a home, much more than normal. As such, our realtors oppose mandatory home energy audits and urge this committee to amend Bill 150 by removing subsection 2(1). Instead, our membership supports the government of Ontario's existing home energy audit program, where homeowners are offered rebates to voluntarily assist in the energy efficiencies of their home.

Some of the reasons we oppose the mandatory home energy audits:

Mandatory home energy audits put a disproportionate amount of the cost of going green on to the homeowner. We all benefit from a cleaner environment; that we understand. If the government maintains that a cleaner environment is indeed a public good, then everyone should pay, not just homeowners.

Mandatory home energy audit reports have serious cost implications for home sellers. Those with less-than-

ideal energy audit ratings will face pressure from homebuyers to either spend thousands of dollars to improve the energy rating of their home or lower the effective sale price. The problem becomes even more apparent when you consider the age of some of the homes in our particular area. I'm going to ask Joe to cite an example.

Mr. Joe Hough: I'll give you a great example of this, and it's my mother-in-law. She and her husband bought their home in old north London in 1952 and have been living in that home ever since. He died a year ago. She is faced now with less income, of course, basically a very small fixed income. She wants to continue to live in her home. She is going to have to sell it, probably within about five years. I expect her life expectancy, if it runs in the family as normal, to be about another 10 to 12 years.

She is probably going to have to move into some assisted living because of the health problems she has, and the money she will get out of her home is going to be greatly reduced because it was built to 1952 standards. Yes, they have upgraded a number of things, but it was still built to 1952 standards. What was wrong with that? They purchased it in good faith at that time with the expectation that it would increase, and now, all of a sudden, we'll be faced with a mandatory home energy audit plus the situation of the house price being reduced or she will probably have to put in, knowing the situation, in the range of \$25,000 to bring it up to today's energy-efficient standard. And I think that is extremely wrong.

Mr. Bruce Sworik: Thank you, Joe. Seniors will also be disadvantaged by mandatory home energy audits. Most Ontario seniors rely on the equity they have built in their homes for retirement. Mandatory home energy audits will force homeowners who are seniors to complete energy retrofits at a tremendous cost to their retirement savings or lower the value of their home in order to compete with the newer homes on the market. The average cost of a home energy audit is somewhere in the \$300 to \$350 range for a 2,400-square-foot house. Although the government of Ontario will rebate \$150 toward the initial audit, this rebate does not help homeowners with the costs of their second home energy audit required to qualify for home energy retrofit rebates or travel costs if the homeowners live in a rural community.

Home energy retrofits can cost thousands of dollars. Even with government rebates, homeowners will have to pay thousands of dollars in order to bring their home up to energy-auditor-established standards. This will force homeowners to either raise their selling price or lose home equity. Both are no-win situations for the people of this area.

Even if homeowners reduce their selling price as a result of a poor energy audit rating, homebuyers are not likely to invest in energy-efficient retrofits. In fact, most home renovation dollars in Ontario are spent on cosmetic alterations and major repairs. Please see the energy audits and consumer briefing note we have provided for you for more information. Joe will now sum up for you.

Mr. Joe Hough: Thank you, Bruce. Mandatory home energy audits will act as a brake on the real estate market

in our area, hurting the local economy. On average, the sale of a home in Ontario generates \$33,425 in additional benefits to the economy.

In 2008, 8,356 homes were sold in this region, generating \$279 million in additional economic benefits to the local economy. When many local residents are losing their jobs and local businesses are closing their doors, the government should be encouraging consumer investments in housing, not hindering them.

Supporters of mandatory home energy audits argue that audits are necessary to provide homeowners with all the necessary home energy information to make an informed buying decision. As a key contact point for homebuyers, realtors know that that information available to homeowners is sufficient to provide them with an overview of the energy efficiency of a home at a relatively inexpensive cost. For example, the most widely used method for informing homeowners on the levels of home energy consumption is their utility bills. These are available to us and ultimately free upon request and provide a prospective homebuyer with a snapshot of the energy consumption of a home in measurable terms, dollars and cents, unlike an energy rating provided by a home energy audit. Additionally, homebuyers can turn to home inspectors for even more home energy efficiency information.

Supporters of mandatory home energy audits have consistently maintained that since cars and appliances have energy labels, resale homes ought to have the same. Realtors know that the differences between these two groups of products are numerous; making comparisons is very problematic. For example, cars and appliances are mass produced. The per-unit cost of assessing and altering the unit cost of energy audits is dramatically lower than it is for resale homes. Additionally, measuring the energy efficiency of a home is not as scientific as it is for cars or appliances. Car mileage stickers, for example, are monitored closely by the federal government; resale home energy audits are not. Just because energy stickers are available on other products does not mean that they should be available on homes in the London and St. Thomas area.

Results of energy audits are not regulated by any level of government and anecdotal evidence would suggest that energy audits are far from being consistently reliable. For example, in June 2007, Toronto Star investigative reporters—

The Chair (Mr. David Oraziotti): Excuse me, sir. Sorry to interrupt.

Mr. Joe Hough: —found that three different energy audits conducted by three different auditors came to three different energy ratings and three different sets of recommendations for home energy retrofits, ranging anywhere from \$5,000 to \$25,000. How can homeowners be sure that these audits are accurate and reliable?

We thank you for your time today. I hope you will take the time to read over the literature we have provided you with.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns questions first.

Mr. Peter Tabuns: Thank you for the presentation, first of all, because I know it takes time to put this stuff together and come down here. I've had people argue with me that as buyers, they want to know what the energy consumption is of a home. They can only afford so much; they want to know what it's going to cost them not just for the mortgage, but also to keep that house operating, in terms of energy. To me, this is something that protects buyers and sellers. Why do you feel that it's simply a disadvantage to sellers and not a benefit to buyers?

Mr. Bruce Sworik: I'll answer that. It's a disadvantage to the sellers because of a reduction in cost, probably. We don't know that the buyers are going to do the retrofitting that is necessary. In a survey that was just done last year, completed by our association across Canada in 2008, by CREA, the number one issue was property taxes; 1.5% of the concerns were to do with energy. So we believe that people are talking a lot about it but doing a lot less about it.

The other example we had illustrated was, there were three audits done by three different firms with three different results, with prices ranging from \$5,000 to \$25,000. I think that if it is going to be used, it has to have a lot more meat and guidelines to it. Who are the certified ones? What are the issues that we're going to deal with? What are the implementation plans on it and the cost and structuring of that?

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Orazietti): Thank you. Mr. Ramal.

1550

Mr. Khalil Ramal: Thank you very much. It's nice to see you again in the same place, twice in the same week. I heard a lot from your colleagues across the province of Ontario. We got a lot of e-mails about this point. As you know, in this bill, if it passes, is some kind of component—and you mentioned it in your presentation—as an incentive for homeowners to do energy audits, and for seniors on a regular basis, every year, to support them in remaining in their homes. Also, there is an incentive if you want to reconstruct your house and refit it, up to \$10,000 from the federal government and the provincial government.

You don't think that those incentives—that it's important to encourage many people to refit their homes and make them energy-saving homes? The price of the home will go up, not down, as new buyers come to see the house and it has a good energy efficiency—windows and doors etc.

Mr. Joe Hough: You know, it's interesting when you talk about people buying homes. I do sell—I'm an active realtor. The most interesting thing is, tying in with your question over here, Peter, every time that I sell a house, whether I'm on the listing end or the selling end, I always request energy bills, because people do want to know the energy bills for a home. Things like electric heat, of course, they always tend to shy away from, although in a lot of cases some of the electric homes are a heck of a lot more efficient than some of the other homes. But they do

ask for those things, and that gives them a guide right there as to whether they can afford that home.

The problem comes when you're forcing people to do something. It's either going to drive the price down or somebody's going to put the money in. Will it bring the price of that home up if they put \$20,000 in? Is it going to put it up \$20,000? No, it will not.

Mr. Khalil Ramal: Just a quick wrap-up—

The Chair (Mr. David Orazietti): Thank you. That's fine. Sorry, we have to move on. Mr. Yakabuski.

Mr. John Yakabuski: I think what it might do is raise the listing prices of homes, because when people realize that they're going to have energy audits on these homes, they're going to have to start from a different starting point because they know that somebody's going to try to bargain them down once they get an energy audit, because what's a satisfactory score? It's just a number that you're going to get.

You touched on the important part, and that is that there is no requirement on the part of the buyer to invest those savings into the energy efficiency of the home, so it certainly defeats the purpose.

I think the government has been all over the map on this one as well, even the things they've said about it. The member for Ottawa—Orléans, whose private member's bill kind of spawned this in this act, a couple of weeks back in his own community—because it depends on who the audience is—was musing about, “Well, maybe we can look at this or phase it in or whatever.” So how they talk about this thing depends on how friendly or unfriendly the audience is.

Quite frankly, I don't think it was very well thought out, and it's just throwing something in there to divert attention, maybe, from the real issues.

Mr. Joe Hough: I think that's one of our biggest points: It's been thrown out, and to me, it just hasn't been fully thought out. If you look at the number of resale homes in this province right now, and the number of inspectors that would be needed is probably 10,000 to 12,000—that might be a great place where you could put a lot of the auto workers. We could retrain them into energy auditors, I don't know—and I'm being facetious when I say that.

Mr. John Yakabuski: I know that.

Mr. Joe Hough: But the thing is, we're going to need a massive number. There is no standard at this present time. So all of a sudden, we're looking at something that's potentially going to come in next year, with absolutely no details on knowing how it's going to work. Yes, from that standpoint, that's why we're against it, because we have no idea of what we're dealing with.

Mr. John Yakabuski: Poor planning makes for poor results.

The Chair (Mr. David Orazietti): Thank you very much. That's time.

Mr. Joe Hough: Okay.

The Chair (Mr. David Orazietti): We appreciate it. Thank you very much for your presentation this afternoon.

Mr. Joe Hough: Thank you.

Mr. Bruce Sworik: Thank you very much for your time today.

BLUEWATER AGRIWIND CO-OP

The Chair (Mr. David Oraziotti): Our next presentation is BlueWater AgriWind. Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from the members. Just state your name for the purposes of Hansard. You can begin your presentation when you like.

Ms. Jeannine Van Kessel: I'm Jeannine Van Kessel and this is my husband, Mike. First of all, we live in a house that's from 1889, so that worries me, that last talk.

Interjection.

Ms. Jeannine Van Kessel: Oh, it's nice, but it's not really warm.

We're here on behalf of a group of farmers. We feel that we have a unique story, and we're here to share it with you. I thank you for the opportunity.

We call ourselves BlueWater AgriWind. We live in the Bluewater area, we're all farmers, and we are interested in wind. This is our story.

There are five farm families, fairly big ones, and we all live and farm in Lambton county. That's where we are, where the red stars are on the shores of Lake Huron.

Farming supports us and our families. In total, we own over 6,500 acres of farmland. We grow corn, beans, wheat and sugar beets. We milk dairy cows and raise pigs, beef cattle and chickens.

We call Canada home but we bring with us a really unique experience because all of us are immigrants, either first- or second-generation. We come from Holland, Germany, Ireland and Switzerland. Our goal is 52 megawatts of wind-generated green power on our own farmland.

Through the past years, we have committed over \$650,000 to our projects. So after four years of studies, planning, permitting, we thought it was all a lost cause because there was no way for us to connect. In fact, our area became a yellow zone. There seemed to be no room for farmers or community groups, even though it was our belief that that was the original intent of the standard offer program. Let me add that we did start on time; we started in early 2006, well before the November commencement of the program. But anyway, it was too late.

You have brought to us a green light called the Green Energy Act, and we're really hopeful that this is going to change things for us. We're excited to be here and we think it's a very exciting time for Ontario.

Our biggest problem, as I mentioned, was the lack of grid capacity. Our system is old and in need of repair. These upgrades should not be made on the shoulders of the renewable energy producers. We ask that every effort be made to find an equitable way to share the connection costs between the renewable energy producer and the

customers. It's just not feasible for us to have to upgrade our antiquated system and then produce the energy. We can't do it all.

This is a little picture of our town of Forest. It's a great place to live. I'm a city girl from London but I just love it in the country, and this is our town. We feel that a locally owned co-operative would be economical. It would provide reduced building costs for those of us who are building. It would allow us to use our local resources. We have excellent companies in our area for gravel and excavation and all kinds of work that we would use because we know them and we deal with them all the time. Also, this may be well known, but farmers spend their revenue in their own communities. Locally owned projects generate 10 times the economic activity for community businesses as compared to outside owners. That's huge for rural communities. You don't know very many farmers who keep their money in their pocket. There's always another farm to buy or more quota or something—a bigger tractor. Trust me on that one.

Therefore we ask that you look at the schedule to involve the local communities, but we really need priority access rights for local landowners and community groups. It's really easy for us to kind of be stepped over by the big guys unless we have something in writing that gives us a little bit of pull for our own area. We live there; we'll do what's best. We're going to live there for many, many years, and so are our children.

Even with the ability to connect a community project, economic viability and stability is the bottom line. We're in favour of the draft released by the OPA regarding the proposed feed-in tariff prices, of course provided that turbine prices don't continue to escalate and interest rates hopefully remain low until we can lock something in. We ask that schedule B, section 7, be amended to require feed-in tariffs as the preferred method for procuring viable renewable energy resources.

As we started this process in early 2006, it was difficult to know what steps would be needed and what approvals and permits were required. Some of us ended up with some fly-by-night companies that said that they were authorities but really weren't. Others, in this case, had some of our members sign on for a \$100,000 environmental assessment. When we further read the paperwork, I believe that an environmental screening process would have sufficed for our projects, but a few of our members had already signed the paperwork for the big environmental assessment.

1600

Therefore, we thank you for proposing that the process for permitting and approvals be streamlined. Knowledge is key. If we know what we need and it's clear in writing, we don't have to completely rely on professionals. We'll know ourselves what we need to do and then we can seek out the help that we need.

Anyways thank you for listening to our story. I've kept it short, but I'm open for questions. Mike and I do a lot of this wind stuff together, so if you have any questions, we'd be happy to answer them. We really appreciate the opportunity to talk to you all.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. We have some questions. Mrs. Mitchell?

Mrs. Carol Mitchell: I just have a couple of questions. Thank you very much for making a presentation today. How many farms are involved in your total proposal?

Ms. Jeannine Van Kessel: Are you classifying a farm as a farm family?

Mrs. Carol Mitchell: Yes.

Ms. Jeannine Van Kessel: Okay. There are five families. We all put in for 10-megawatt projects and then there was one fellow farmer who just wanted a two-megawatt, so we kind of pulled him under our wing and that's how we got to 52.

Mrs. Carol Mitchell: That was where I was trying to come up with that number. So because of the standard offer, you stopped at 10 and that's where you went.

Ms. Jeannine Van Kessel: Yes.

Mrs. Carol Mitchell: So was that what your proposal would look like today then, 52 megawatts?

Ms. Jeannine Van Kessel: What it was, we all had put in for the 10-megawatt project separately, and then you know how it goes in a small town: You hear about other people doing the same thing. We said we should talk because more heads are better than one. So we started talking because we thought this was all going to happen and we could get together on sharing turbine costs. Well, we all know that went nowhere. So now, we're more of a group to lobby together. We went to the Ministry of Energy and we're trying to work together to just push this on and try to make it happen because we're in a great spot for it and we have the land.

Mrs. Carol Mitchell: What will the connection costs be? You're talking about sharing them. What are the connection costs that you estimate today?

Ms. Jeannine Van Kessel: Where we are, we're far away from—like, they vary depending on where they were on that map.

Mr. Mike Van Kessel: They're quite substantial, and it depends on our location to the access point, but each situation is a little bit different. We probably didn't investigate it that well because we knew we couldn't connect anyways. But there are some that are right on transmission lines and there would be reasonable transmission costs, and there are other projects that would be seven or eight kilometres away. There was some talk of maybe \$100,000 a kilometre or so for that kind of infrastructure to get connected, and those are very broad because we've kind of stopped the whole process because there was a roadblock there.

The Chair (Mr. David Oraziotti): Thank you; that's time. Mr. Yakabuski?

Mr. John Yakabuski: Actually, Mrs. Mitchell asked my question, which is, have you done the analysis as to what the connection costs would actually be for the project? But I guess with 52—so you're talking more than 26. If they're two-megawatt turbines, you're talking 26, but they're quite possibly—

Ms. Jeannine Van Kessel: Two megawatts.

Mr. John Yakabuski: They are two megawatts, so you're talking 26 turbines. So you haven't got that kind of figure.

Do you have any concerns with some of the issues that have been raised by opponents of wind developments? This would classify maybe not as large but certainly not small—26 turbines. Mind you, it's over about 10 square miles.

Ms. Jeannine Van Kessel: Yes. We're all about 10 kilometres apart, roughly speaking, and each of us will be looking at five—

Mr. John Yakabuski: It's not like you're going to have 26 of them all that close together. They're going to be sort of five separate projects.

Ms. Jeannine Van Kessel: Yes.

Mr. John Yakabuski: Have you got any concerns with respect to the negative effects, the health concerns that have been raised here today, and how far they would be from any of the dwellings on the property?

Ms. Jeannine Van Kessel: We don't have a lot of dwellings in our area, and we do have the turbines from Glen Estill and Martin Ince near us at Ravenswood and they've been accepted quite well. People don't seem to mind them; they're kind of a drawing point.

We're not in a hugely populated area. Even though we're along the lake, we're a little more inland. Also, we have big enough farm bases that we can put them at the back of our farms—where, of course, it would be better anyway—or along fence lines and not close to other dwellings. A lot of what we have heard—it's all new but it seems like there's maybe something wrong with the tower or certain people have a certain sensitivity even just to the spinning of the tower, and if you keep it far enough away then they don't get that sensation of the flicker or the light through the tower—

The Chair (Mr. David Oraziotti): I have to stop you there. That's time for questions. Mr. Tabuns.

Mr. Peter Tabuns: First of all, thanks for making this presentation but also thanks for taking the initiative to move forward on green energy in Ontario. You comment about “viable” projects. Can you tell us why you put that word in there?

Ms. Jeannine Van Kessel: We put that in there because we just wonder: With how the feed-in tariffs work, if you end up making projects that maybe have very low wind speeds by paying them more, is that as viable? Does that really bring out the best in people to get the most that they can out of their project? Because if you can put it in areas that aren't as good—we made an analogy to cropland. Everybody gets the same price for their corn, beans or wheat. You get a little more if you're closer to the crushing plant. So to us, it would make sense that if you're closer to Toronto or the big end-users, maybe there should be something based on how close you are to where the energy is needed and what your wind speed is or what you're getting out in kilowatt hours. The best farmland, yeah, you get more crop off of it but you pay more for it. So it's kind of a give and take. If people want

more—right now, bean prices are going up; they need more beans, then you put the price up. If you need more green energy and you're not getting it, you have to put the price up.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. We appreciate you coming in this afternoon.

RON STEPHENS

The Chair (Mr. David Orazietti): Our next presenter is running a bit behind, so we're going to move to the following presenter, Ron Stephens. Mr. Stephens, I assume, is here?

Good afternoon, Mr. Stephens. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, and there will be five minutes for questions from committee members. Just state your name for the purposes of our recording Hansard and you can begin your presentation right now.

Mr. Ron Stephens: Ron Stephens, Kincardine. I ran in the last provincial election as an independent here in Bruce, and after two and a half years, I get to make a 10-minute presentation.

I'm going to go about this a little bit differently than some of the other folks. First of all, we shouldn't be here. That's my first point. The Green Energy Act is quite possibly the most draconian piece of legislation that has ever been foisted upon the people of this province. If this government or any government said to the municipalities, "We want you to have more doctors; we want you to have better education," and the municipality said, "We're not up for that right now," it would be wrong for the government to take away their power to say yes or no on those issues, and it is equally wrong for this government to take away any municipality's rights to make their own decisions. That is blatantly clear. Once you remove the rights of a municipality, you have removed the democracy of this province. You have in fact made the sitting Premier the king, the dictator of this province.

The idea that we need green energy depends on how you describe green energy. In my talk with the—I guess he's the ex- now, probably—senior policy adviser for the Ministry of Energy some time ago, we went through all this stuff; we spent a long time talking to each other on the phone. My research keeps coming up with the same thing: Build a nuke, put the scrubbers on the coal plants and drive on. That cost would be about \$10 billion to the population of this province. We would get energy as clean as you're ever going to ask for, we would get as cost-effective energy as we can hope for, and there's nothing more important for an industrialized province such as Ontario than to furnish cost-effective electricity, because without that cost-effective electricity, this province is going in the toilet.

1610

As far as what the green energy program is based on, it seems to be based on this faulty idea that we are facing some kind of man-made global warming scenario. We

are not. That is blatantly clear if you follow history. In 1922, the Arctic was ice-free. I don't think that had anything to do with burning coal.

The easiest way to wrap your mind around—I'll do this as quickly as I can. You have to understand: All of these programs are being foisted upon us by the UN and the NGOs that the UN has spawned. In searching for a new enemy to unite us, we came up with the idea to use pollution, the threat of global warming, the water shortages, to facilitate our program. From there it goes to the IPCC, which is just another UN program. They say, "We need to get some broad-based support to capture the public's imagination, so we have to offer up scary scenarios, make simplified, dramatic statements and make little mention of any doubts." It doesn't sound too scientific.

Timothy Wirth, who is—I don't know if he still is—US undersecretary: "We've got to ride this global warming issue. Even if the theory of global warming is wrong, we will be doing the right thing in terms of economic and environmental policy." Former federal Minister of the Environment: "No matter if the science of global warming is all phony ... climate change provides the greatest opportunity to bring about justice and equality in the world." And it goes on and on and on.

Democracy is not a panacea. It cannot organize everything. It is unaware of its own limits. These facts must be faced squarely, sacrilegious though this may sound. Democracy is no longer well suited for the tasks ahead. The complexity and the technical nature of many of today's problems do not always allow elected representatives to make competent decisions at the right time. I believe that's where we sit today.

I do not believe that the government is competent to make an intelligent decision on any of this stuff. You sit there under the guise of something that is phony to take away the rights of municipalities in order to do what? Facilitate an industry that can do nothing of what it says it can do. It takes very little research and very little time to find that the wind industry, on the whole, is phony.

If you go to the IEA reports, which is another UN outfit, and you look at their studies, what is the purpose of renewables? The purpose of renewables is twofold: money and carbon credits. That is what green energy is about. After we have installed that green energy and those renewables, we will build large coal plants, large hydroelectric facilities and nuclear plants. This, folks, is a scam.

Back to the Green Energy Act itself: There's no reason for the Green Energy Act other than the facilitation of the industry. There is not a council in this province that is not capable of deciding where and if a small wind plant goes. If Mr. Smith wants to put up a windmill near his barn or his house, the municipality can deal with it. If Mr. Jones wants to put up a solar panel on his roof, the municipality can deal with it. If a farmer wants to put up a small biodigesting plant, the local council can deal with it. Therefore, the only reason for this legislation to come through is for the facilitation of the industry itself, and that is fundamentally wrong in a democratic society.

A lot of people have been conned for a long time. This didn't happen yesterday. I was at the very first Earth Day when I lived in Calgary, where I was introduced to windmills and solar panels, which I have no negative feelings about. If you, as a human—in the latest reports now, we're not humans anymore; we're called "climate changers," which is a little disturbing. If people wish to do that, that's their business. It is not the government's business to foist it upon them. Saying to the public—and I've been to a lot of meetings, and they're being treated like rubes. There's no other way to describe this. To say to these people who come out to these meetings, "We want to give you the opportunity to create electricity"—the average person is so damned busy trying to keep their mortgage paid and their kids fed that creating energy is not part of the game. That's like saying, "We want you to be your own cable provider." That's just plain stupid.

I expect, and the people of this province expect, you members here and the members of your parties to get your backbone in order, get the talons of the UN out of your backs, and stand up and start to represent Ontario. If you're not prepared to do that, then the only option for you is to resign your positions, and that would also be expected by the people of this province.

Let's go over quickly to the father of Kyoto, Maurice Strong, probably the most vile piece of flesh ever born in this country. Maurice Strong, at a young age, got himself hooked up with the UN. Maurice Strong himself says he is a capitalist, for himself and his friends; for everyone else, socialism will be the answer. Mr. Strong and his sidekicks Suzuki and Gore and the boys—where are we at here with them? Where is Maurice Strong? Maurice Strong is presently in China. What are they doing in China? They're building 500 coal plants. I don't see Suzuki going over there bitching and complaining; I don't see Maurice Strong bitching and complaining. Maurice Strong does not want me to drive a car. Maurice Strong is up to his ass in the car business in China.

The Chair (Mr. David Oraziotti): Mr. Stephens, that's time for your presentation. We're going to go to questions. Mr. Yakabuski, you can start off.

Mr. John Yakabuski: Thank you very much. You have serious concerns about the usurping of municipal authority in this act, and I think that part would be shared by many municipalities, including—we have some concerns in our caucus, as well, about the decision that the government is going to, as they say, upload the municipal responsibility from the duly elected local people. So we do share that concern with you. Hopefully, it is something that the government—

Mr. Ron Stephens: It's not only that you share the concern, okay? In a democratic society, one of the jobs of elected officials, I believe—I may be wrong—is to protect our democracy; not give it away, not usurp it. From that perspective, anybody who believes in democracy in this province should be on the airwaves, in the newspapers, and they should be screaming to the top of the rafters that this has to stop, because this has nothing to do with anything but moving an industry forward.

When an industry can take the rights away from the people in their local jurisdictions, we have crossed all boundaries, and that must be stopped. You can't justify it. It's impossible.

The Chair (Mr. David Oraziotti): Mr. Tabuns, questions?

Mr. Peter Tabuns: Ron, thanks for the presentation. I have to say, I thought you were very clear, and I don't have any further questions.

Mr. Ron Stephens: Well, if I could just say something on that—

The Chair (Mr. David Oraziotti): No, it's questions, so just bear with us, please. Government side, Ms. Broten.

1620

Ms. Laurel C. Broten: Thank you, Mr. Stevens, for taking up what is your democratic right and coming before us to speak to us today.

Your comments with respect to climate change—I would expect, in listening to your comments, that you don't accept the work of Sir Nicholas Stern, the IPCC and many bodies of scientists around the world. I wonder if you're talking about the role of legislators. If you can comment on the fact that the views you hold, where you don't accept any of this body of work that's out there—I would suggest to you they are not consistent with the majority of people we do represent. Many Ontarians are very concerned about the future of the environment for their children, their grandchildren; concerned about climate change and air quality and how the actions that we're undertaking as a society are affecting the world that we live in. Do you share their concerns in any way?

Mr. Ron Stephens: I'll go back to the senior policy adviser, okay? When you try to scare someone—I mean, this is just history; this goes on constantly—what you do is you try to find a uniting scare factor. So we use climate. Of all the gases on the planet, CO₂ is the most benign. Why would we bastardize CO₂ as a common denominator? There's nobody on the planet who doesn't know what CO₂ is, okay? It's an impossibility for CO₂, in itself, to cause climate change. I know we've gone from global warming to climate change, because global warming's getting kind of worn out.

My experience has been that propaganda, or repetition, is the best brainwashing tool ever invented.

Ms. Laurel C. Broten: Do you accept any of the work undertaken by the Ontario Medical Association with respect to air quality issues and coal pollution?

Mr. Ron Stephens: I don't accept anything, basically, from the Ontario medical society because I had the privilege of talking to a director from one of the health boards. I asked them to go down to a wind farm that was experiencing problems, to send someone down and take notes, because it was a cluster of people. The response I got from that person, who is a director of health, was that what those people were experiencing was all in their heads.

Ms. Laurel C. Broten: But I'm talking about air pollution from the coal plants.

Mr. Ron Stephens: And I asked him how he could come to a conclusion like that when he was an hour away.

The Chair (Mr. David Orazietti): Thank you, sir. That is time for questions.

Mr. Ron Stephens: And he said, "Well, I was talking to someone in the wind industry and he told me some people don't like the look of them, therefore they get psychosomatic problems and it goes in their heads."

The Chair (Mr. David Orazietti): Thank you, Mr. Stephens. That's time for questions. Thank you very much for your presentation. The last word went to you, so thank you for taking the time to come here this afternoon.

MINDSCAPE INNOVATIONS GROUP INC.

The Chair (Mr. David Orazietti): Our next presentation is Mindscape. Good afternoon, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five for questions. State your name and you can start your presentation.

Mr. Derek Satnik: Thank you. I'll just give a second for the handouts to circulate. Of the two handouts, one is more of a reference printout from a piece of software that I will only make passing allusion to, and then the other is a brief summary of handout slides that I have on my laptop. I was under the understanding I could plug in and project, so I won't; I'll just speak to the slides instead. Is that okay? Okay.

Briefly and unequivocally, I'll just state that Mindscape is a member of the Green Energy Act Alliance, so I fully and completely support everything that the Green Energy Act Alliance has been endorsing to date and I won't bother to repeat any of that. I'm sure you've already heard that several times over, but just to state that we do completely support that.

Personally, my involvement through Mindscape is mostly in the housing sector, so here, I'm primarily interested in the clause that relates to mandatory energy auditing of homes on exchange—on sale or resale. I see you skimming through the material; okay.

From my vantage point—I'm on several different boards of several different agencies, from the Canadian Green Building Council's various housing-related committees to the Net-Zero coalition and the Canadian Residential Energy Services Network and a few others like this, so we're hearing, of course, a great amount of discourse on the idea of housing and house energy auditing and things related to that.

I want to just generically state that, from my vantage point—I'll speak on behalf of myself. I couldn't contact everyone from the various societies I represent, so I didn't want to speak on their behalf out of turn, but on behalf of myself and what I see in each of those committees, there is no concern at all about the idea of mandatory house labelling causing a tremendous strain on the economy. I know there's been a great deal of dialogue in the press about that and some numbers floating around

about what that will do to transaction costs. I just wanted to offer the vantage point—from my resumé, you can see in the printouts there that we see no reason to be alarmed at this. We think it's a very healthy thing, and that, if anything, it will spur the local trades and local jurisdictions to be doing more renovation work on existing housing, which we think is also a very healthy thing. I would be interested to hear the London Home Builders' Association's perspective on that. I see that they are on the deputation list for today as well. But certainly, I would expect that, if anything, their renovating members will be very pleased by this. It will create some interesting small-scale economic activity, which is nice. You see the mom-and-pop shop contractors benefiting probably the most out of this. We have associations like the London Home Builders' Association to monitor the quality of their work, so I'm very confident that that will be a good thing. I can speak with some confidence that places like the Net-Zero coalition, the Canadian Residential Energy Services Network and others are equally confident that this would be a very good thing.

The one key thing that I would stress, though, related to mandatory home energy labelling is that the process by which that is implemented and the timing of that will be important. The overall capacity of this sector, as I understand it currently, is not anywhere near sufficient to address mandatory labelling of all houses. Certainly, we could move into that fairly quickly, but we would need to be able to stage the industry and we would need to have appropriate notice. We would need to be talking about delayed phase-in dates. These are the kinds of things you folks have seen many times over in many other pieces of legislation. So I would suggest that late 2010, early 2011, would be an appropriate date for that to start. This is a date that I would suggest certainly be stakeholdered and negotiated with some of the core stakeholders. I'm speaking mostly on behalf of my own experience. When I say that, my own experiences in this case, primarily as a service organization—we actually do train raters who go to houses and audit them and provide an energy number on the houses and label them, so this is directly our experience as a company.

Speaking from the vantage point that I have amongst my peers and competitors, all of whom are very interested in the challenges that this will create for them—positive challenges, but challenges no less—the timing will be something that should be discussed. I'll leave that to your competence to sort that out, but I've suggested a date in the handouts, or a range of dates.

I would suggest that along with that, again, with these green-housing-type programs, when we have a phase-in date by which everything becomes mandatory and active, it helps tremendously if there's an optional compliance period in advance of that, starting the day the act is passed until the day everything is mandatory. I would encourage that if we can find an appropriate way to put an incentive in place during that period, then we will actually see industry ramping up and we will see professionals getting trained. We'll see, I would think, a

great number of quality assurance professionals from other industries who have been laid off in recent months making career changes and getting training.

This industry particularly is really nice for the home business. It's a very small-scale, compatible industry, which creates a really pleasant opportunity for retraining of other professionals. That said, we will see very little activity until it's mandatory, unless there is some kind of a process by which to incent people to take action in the meantime, before it's mandatory.

The biggest concern I have is that if it becomes mandatory instantly, then we will have a period of time where the rating service industry is prepared to do about 10% of the volume that they would need to do, and they'll need to come up with another 90%, and then it won't happen, of course. So then we'll have to deal with all of the process issues of how we graduate into compliance.

I offer those perspectives. There are some brief notes in the handouts that I've given you, pushing, really, two thoughts: the phase-in dates and the implications of the phase-in dates; second to that would be enablement tools. The second handout—I'll be upfront and say this is a Mindscape tool that we have created for use in our network, and we would be royally delighted if the Ontario government gave us lots of money to roll that out all over the place. But really, the idea I wanted to push there is not so much to invest in Mindscape, but that there are Ontario-made tools that really make sense here that can streamline the process. If we were to take the service industry as it currently stands, with its ability to service about 10%—my guess—of what the demand would be, but retool them with better tools, then they could easily, I would say, double their efforts and double their productivity to further complement that with an appropriate training investment. We could double the service base and double the capacity of the service base. It becomes a fairly doable, responsible process by which we could look at actually, truly labelling all the houses in the industry on sale or resale.

1630

I guess my two messages in that is that I see this as a fantastic thing. I'm really delighted that our government is looking at this seriously for existing housing. Speaking as a green building guy, we spend a lot of our time on new housing, so it's really encouraging to me to see the concerned paid to existing buildings. Of course, the immediate challenge there is just the practical stuff of how you get it done, so I offer some thoughts on how we would get that done. I don't expect that to show up in the act. When the regulations are created, though, that'll obviously be important. So however that takes shape and form, I'd like to pass those thoughts on now.

I also want to suggest—on the side, and largely unrelated to my core business practice at Mindscape, but it's a common discussion topic that comes up in the circles that I frequent in the committee and policy sphere—the idea of CHP and thermal technologies. I realize there has been much debate about that. I just want

to generically voice support for those again. It was a little disappointing not to see those in the act, but not surprising. This is an incredibly progressive act already. It's got all of the main stuff in it. The Green Energy Act Alliance has some good, constructive feedback, I think, on how to improve that, but I would just strongly encourage that whenever there is an opportunity to encourage the adoption of pointed thermal technologies—CHP, solar-thermal, geothermal—it would be really nice to see those show up in there in an appropriate way.

That's it. Hopefully everyone got their handout and that's accessible.

The Acting Chair (Mrs. Linda Jeffrey): Great. Our questions begin with Mr. Tabuns.

Mr. Peter Tabuns: First of all, thanks for coming and presenting on this, because it's a significant point in the presentations that we've heard so far. One question that came up today was related to discrepancy between the results of different energy audits. In the field where energy audits are studied, what would it take to standardize so that people would get a consistent result in the auditing of their home?

Mr. Derek Satnik: It's much like the quality assurance processes you'd see in all the other industries, but right now, the easiest answer I have to that is that Natural Resources Canada already has a quality assurance process in place for that. So what you're seeing in the field when people mention these kinds of discrepancies are the practical gaps in the existing program.

As a service organization, I have to sign a licence agreement with Natural Resources Canada. Included in that agreement, I am accountable to audit my auditors. So we have to actually go out and resample some of the homes they test and make sure they come up with the same results that we trained them to get. The reality is, it doesn't always match, and we have disciplinary measures we have to take in order to bring that all in line and make sure it's harmonious.

I would say, first, there is a process for this. The media always finds the holes in the process, so we can leave it to them to do that. I would say, though, that on the whole it's not a concern to me in the microcosm. I take that up with Natural Resources Canada as a worthy thing to be re-evaluating constantly. They are going through a process right now of re-evaluating much of the service organization process. That's something that's happening right now.

I can say, though, that's only true directly of the Natural Resources Canada programs, which is most of them. In this case, everything that the Ontario government is considering is managed by Natural Resources Canada, so we're fine, as this feeds into some other programs that are industry-led, such as LEED. LEED for houses is not directly tied to the EnerGuide rating system. It's one of the compliance tests. So it just becomes important for them to have a quality management process, but they're very concerned about that anyway. I would say that the industry is good at that. We don't have to be as worried about that as the media would lead us to believe.

The Acting Chair (Mrs. Linda Jeffrey): Ms. Broten.

Ms. Laurel C. Broten: One of the comments that we've heard over our days of committee hearings is that we don't need to have home energy audits because the energy efficiency of a home is something that anybody can tell by looking at it, and I wanted to get your comment on that point. The second point is that all this does is provide a checklist of every piece of work that needs to be done in your home, puts a price point on it—say, \$35,000 or \$40,000 or \$45,000—and then it just becomes a point to negotiate a price reduction. If I could just get you to comment on those two criticisms.

Mr. Derek Satnik: Sure. The second is directly tied to the eco-energy program from the federal government, which many people assume is what we mean when we say energy audits. It's actually not. That is sort of step two in a two-step process. Step one is when you have the auditor come to the house and literally do an assessment of what they find and give it a number on the government's EnerGuide scale—and we won't go into what that really means. They have to give it the number first before they can identify opportunities to improve it. Those are relatively distinct exercises, either of which requires training. Anybody who says they could just go and do it, I would tell them, "Go and disassemble your car and put it back together and tell me how much fun you had." It's the same kind of thing.

Yes, people can do it. There are do-it-yourselfers that will figure it out. No, nobody is an expert at that. Yes, there's a reason I have a six-day training course, mandated by the government, which every one of these guys has to take, and there's a certain amount of in-field experience they have to have before I can licence them. There's rigour behind this. There are always do-it-yourselfers who can, but no, not everybody is a competent EnerGuide auditor. It's a total farce to think that they could be.

That said, when we get to the checklist approach, the reality in the industry today is that that is a two-step process. The government is thinking about mandating step one: that you should have a number on the house, which is a relatively contained, simple exercise. I've made some comments in the handouts about that. Step two, when you tie it to the eco-energy program, is completely defined by the federal government's grant process today, which could change. It's valid to say that once you've got an EnerGuide number you can apply it to this checklist, and you can go and try to get quotes and turn it into an upgrade exercise. It's equally valid to say that you might not. If you're the one selling the house, you probably won't. If you're the one buying the house, you just might. It creates an opportunity.

The Acting Chair (Mrs. Linda Jeffrey): Thank you. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much for your presentation today. You talked about your core business. The Ontario Real Estate Association and every real estate board that we've heard from across the province—and they sell hundreds of thousands of homes. That is their

core business; 213,000 homes in 2007. That's their core business. They say that this will have an inflationary effect and it will be a wedge between buyers and sellers and will negatively affect sellers in this province, many of whom can least afford to have this kind of an adversarial issue between them and the buyers. You say that it's not going to have an effect. That's not your core business; it's theirs. Why would we take your word on it and not the word of the industry that should know their business best?

Mr. Derek Satnik: Sure; I would say that they know the sales business best. They don't know the energy business best. I know the energy business best. What we're doing is we're combining the two—

Mr. John Yakabuski: They said it will have an effect on sales. They didn't talk about energy.

Mr. Derek Satnik: I agree, but if we talk about the way that energy will affect sales, right now it's a crystal ball exercise that we all have perspectives on. I would say that energy is something I'm very competent to assess; sales is something they certainly are competent to assess—

Mr. John Yakabuski: I'm not challenging that.

Mr. Derek Satnik: —so the medium in between is where the dialogue is important. What I would suggest to them is that they probably need to be more involved in this program before they assess it. I think they've prejudged it because there are these two steps and people get them confused. One of the steps that I see in the solution, honestly, is to get real estate agents involved at a technical level with doing these assessments. If we're going to actually audit the entire industry, all 213,000 homes, I can readily say that my portion of the industry does not have capacity to do that. There's no way we're going to come up with that many people to do that effectively, so we will very quickly end up seeing home inspectors and sales agents who want to do this work. There's a piece of it that they're not capable of doing, but there's a piece of it that they are. The piece that they can do is everything up to putting the number on the house. They just need a bit of training for that.

The day we do that and start training those folks, I think we will see this become commoditized so fast that this extra cost they're all concerned about—which, by the way, is the cost of the two-step process, not the cost of the process they're concerned about. The cost of the process they're concerned about, I'm very confident would become a value-add. What it's going to end up doing is coming to zero cost net in most cases, which will put a lot of pressure on my piece of the industry, actually, which is something that we're concerned about.

The Acting Chair (Mrs. Linda Jeffrey): Thank you very much for your deputation.

LONDON HOME BUILDERS'
ASSOCIATION

The Acting Chair (Mrs. Linda Jeffrey): Our next group is the London Home Builders' Association.

Welcome. If you could state your name and the organization you speak for, and when you begin, you'll have 10 minutes, with five minutes for questions.

Ms. Lois Langdon: My name is Lois Langdon. I'm the executive officer for the London Home Builders' Association. We represent approximately 400 local businesses: builders, renovators, suppliers, subtrades, manufacturers, developers—anyone who's associated with residential housing. Our members build approximately 85% of the new homes in the London area. It is a volunteer association; all members are volunteers.

The London Home Builders' Association has been on the cutting edge of energy efficiency in housing for a number of years. We partnered with our local city of London on a London EnerGuide program a number of years back. We have been working hard to educate our members. We have a LEAP program that we've done, which is 17 cutting-edge technologies that we have worked with NRCan on to produce a tool kit, and we have been encouraging our members to take the technologies and the tool kit and incorporate it into their building. Our industry has been involved in R-2000 for over 20 years, so it has a long track record of energy efficiency.

1640

We are in favour and support of the proposed Green Energy Act. I believe that the Ontario Home Builders' Association issued a news release to that point the day after. We believe that the fundamental policies we support will help to differentiate housing, whether it be resale or whether it be new homes, and give homeowners all the information they need to know to understand what type of house they are purchasing and what the energy efficiency is in that house. We are more than willing to participate with the government on any regulations to bring that in. We have experts within our field who are participating. One of them was Derek, who was just here.

It has been a difficult situation for new homes for our builders to encourage people to want to have the energy efficiency features in their homes. If the builder doesn't take a position and make it mandatory in all of their homes, then they're in a position to have the homeowners choose between hardwood floors or granite counters or the energy efficiency. Oftentimes the energy efficiency features lose out in that. One of our suggestions is that the government might consider offering some sort of incentive or rebate to the homeowners to encourage them to purchase an energy-efficient home, whether that be an Energy Star home, a LEED-certified home or whether there's another building label that they want to use for that. But if there was some sort of program that would help support moving people into new homes—and I think the energy audit will help to differentiate and let people know exactly what they're purchasing.

That's basically my presentation.

The Acting Chair (Mrs. Linda Jeffrey): Great. Thank you. Beginning with the government side, Mr. Ramal.

Mr. Khalil Ramal: Thank you very much for your presentation. I know you've been working hard over the

years with the city of London to produce and construct a home with energy efficiency. I went to see your model, I guess, a few years ago. It's impressive.

There are so many different incentives. For the people who want to do a home energy audit, they get almost half the cost, plus if you want to renovate your house you get up to \$10,000, and also for seniors there's a big incentive to remain in their homes, and also financial support. There are so many different elements.

You probably agree with me that in order to sell your home and if you have a good, efficient home, I think you'll have a better price for it. What kind of incentives are you talking about for the government to support people to have energy-efficient homes? Financial support or—

Ms. Lois Langdon: One of the difficulties is when they choose something other than energy-efficient features in a new home. So if there were some sort of incentive that was offered to the homeowners or the homebuyers, whether it would be some sort of rebate or—I guess a rebate would probably be the easiest form that would be administered that would come right back to the homebuyer.

Mr. Khalil Ramal: There is an existing rebate at the present time. So do you mean additional rebates?

Ms. Lois Langdon: But not for new homes. There's nothing for new homes, to encourage people to buy new homes that are Energy Star or LEED-certified or a certain level on the EnerGuide scale.

The Acting Chair (Mrs. Linda Jeffrey): Thank you. Mr. Yakabuski.

Mr. John Yakabuski: I appreciate your presentation today. When people are building a new home, I would suggest and I would hope that they're all encouraged to make it as energy-efficient as possible. But I'm not sure how energy audits are going to affect that decision, because enough data is available when you're building a home as to what things you might want to do with that home to make it the most energy-efficient. But when it comes to older homes, and this doesn't apply—and they're not even sure whether they're going to make those energy audits. Now they're changing their tune about maybe they won't do them for homes less than five years old, 10 years old, whatever. But if you live in a home like the Van Kessels'—what did they say, 1886 or somewhere around there?

Interjection.

Mr. John Yakabuski: Eighty-nine. I still have three years on you. But the cost of making that home energy-efficient would be practically prohibitive. If you're going to live in that home, you'd better have a big woodpile or something.

This is the issue of energy audits. When it comes to the act, encouraging efficiency and energy efficiency in every new home are standards we should be adopting. But I'm not sure how that juxtaposes with mandatory energy audits, because the existing stock of homes is the issue, not what's going to be built.

Ms. Lois Langdon: I understand that. The energy audit would help people to identify what the level of

energy efficiency is in their home, whether they're buying a resale home—

Mr. John Yakabuski: They can go out and have one done today. It doesn't have to be mandatory.

The Acting Chair (Mrs. Linda Jeffrey): Mr. Tabuns.

Mr. Peter Tabuns: Thank you for coming down and making the presentation today. I've read the act to understand that the building code is going to be changed to make homes far more energy efficient than they have been in the past. How do you see that affecting the cost of homes and the cost of your operations in the years to come?

Ms. Lois Langdon: A majority of the builders right now—in the London community, anyway—are building to what the new code is going to be. So any of those price adjustments are already in the marketplace right now. There will be an adjustment for some, but a majority of them are already at that.

Mr. Peter Tabuns: And how would the current standard compare to R-2000, for instance? Or is it already at R-2000?

Ms. Lois Langdon: It's my understanding—and probably Mr. Satnik would know better—that R-2000 is being adjusted right now, that they're working on it. It did have an EnerGuide level of 80. I believe that they're working to adjust it higher, that Energy Star is now at 80.

The Acting Chair (Mrs. Linda Jeffrey): Thank you very much for being here today. We appreciate it.

RIPLEY GROUP

The Acting Chair (Mrs. Linda Jeffrey): Our last deputation of the day is the Ripley neighbours group. Welcome. Thank you for coming today. If you could state your name, whoever is going to be speaking, for the Hansard record. When you begin, you'll have 10 minutes, and at the end we'll have five minutes for questions.

Ms. Sandy MacLeod: My name is Sandy MacLeod, and I'm going to start the presentation.

We formally request that the more than 150 submissions that did not get a voice in front of the committee receive time at extended dates. We also formally request that committee members use their five-minute time wisely and benefit the Ontario citizens and not waste our time by trying to discredit our integrity. We have written letters to the editor, put up lawn signs, and during phone calls voiced concerns about our health way prior to the project going on line. Having an informed opinion is encouraged in a democracy. Our deteriorating health changes are not opinions. The wind industry and some Liberal politicians consistently try to cast doubt by disrespecting our experiences.

We formally also request that our MPP, Carol Mitchell, resign from the standing committee and devote 100% of her time to resolving the harm to the health of families in Kingsbridge, Ripley and now Tiverton wind projects. Ms. Mitchell needs to spend her time focusing on her constituents who hired her to do a job for them

and resolve their health problems. Some families have been suffering for over three years. I'll begin.

Emotional and social stresses: We are quizzed or defending our health problems at community events such as hockey games, shopping or church. Dysfunctional community relations have been created by the wind project representatives and some community members trying to discredit the validity of our problems.

The family unit for each family has deteriorated and has been torn apart. We begged for sleep, and four families were billeted by the wind company from their homes for 90 to 180 days in motels, hotels and a rooming house. The consistent stress has broken apart the family unit—no gatherings, few or no celebrations at home. At present, one family has purchased a separate residence to live in, and two others had to, at the expense of thousands of dollars, modify their hydro connection to try and live in their homes that they've lived in for 19 to 35 years.

Due to concerns for the health of grandchildren, grandparents, older children, extended family members and friends, we all strongly discourage extended visits to our homes. We had to meet somewhere else other than our homes for celebrations.

Neighbours, business acquaintances and media personnel from two different networks have also felt the pressure in the chest and ears and ringing in the ears while in our homes. In an open invitation to the Premier and any other politicians and their families to pack their bags and live in one of our members' homes for two weeks, our MPP suggested that we might trade by living beside a pig barn or beside a grain elevator.

There are additional points—in red—that will help support that these comments of discrediting people's health are not founded.

Health and safety: We're like the first population of smokers who went to their doctors with health problems. This is the third official warning to the Liberal government of Ontario: There will be harm to citizens of all ages and gender, due to wind projects.

1650

Let's be very clear on one serious point: Each of the families has had the same two environmental changes in their lives since November 2007:

(1) Our hydro configuration has changed to now include the connection to unfiltered power from the turbines and its substation.

(2) The blades of the industrial turbines began to rotate over, near and above the height of our homes.

Sleep deprivation; sleep disturbances; poor-quality sleep; humming in the head by the ears; edginess; a feeling as if you've had five cups of coffee; bad temper; heart palpitations; heaviness in the chest; pains in the chest like needles; increased blood pressure, 217 over 124; uncontrollable ringing in the ears; earaches; sore eyes, like you have sand in them; digestive problems which continued for months; headaches which caused you to be bedridden; the sensation of your skin crawling or being bitten by bugs; sore joints; nosebleeds; sores on feet that would not heal until you moved out of your

home; inability to concentrate or form words; a severe feeling of being unwell; bedridden for days; depression; tiredness; anxiety; stress—these are the signs and symptoms we have experienced over the past 17 months. Note that the above all start to subside when you leave the polluted environment of your home. The health changes are individual. Even the pets are affected while in the home—losing hair, sore ears—but not when away from the home.

The long-term health effects have also started to show. There's an increased sensitivity to certain sounds and high-frequency lighting, such as in the local stores, and in this room as well. You feel ill upon entering the building. Hearing difficulty has occurred. What other effects will occur?

Just like the first group of smokers, we counted on the government we hired and paid our tax money to, to have intelligently had all the facts determined before any wind project began.

Who is accountable for the unseen health changes occurring within our bodies from basically living in a vibrating microwave? What protection is there for a developing two-year-old who cries endlessly and pulls at her ears when she's in her home, but not when she's away from the project? Who's accountable to the young family who are expecting their second child? What if there's a deformity or a miscarriage resulting from infrasound, low-frequency sound and the electrical pollution?

The health costs of four families have impacted the health insurance plan 61 times, strictly for health problems due to the two factors stated previously. I had a local hospital finance department calculate a rough estimate for the bill of one family member—\$5,000 for one family member. Fourteen ER visits; 19 doctor visits; seven specialist visits, for ear, foot and heart; blood work, six times; audiologist, five times; CT scans, twice; heart machines and stress tests, five; Doppler testing, one; X-ray, one; urine tests, one—do the math. This is just four families so far. Who's going to pay for the health costs due to the health effects of wind projects?

There's additional in the gold.

Mr. Glen Wylds: Thank you, Sandy. I'm Glen Wylds. I live in the middle of the Ripley wind farm. I'm going to talk about the financial impact, the cost, to us as the homeowners.

Each family has incurred additional costs from budgets for food, fuel, laundry and doctor visits while living away from our homes. Family events had to be held in restaurants. There is wear and tear on our vehicles. There is the extra cost of extensive phone bills from trying to get the problems fixed. There is the price of putting isolators on our homes to protect our families from the unfiltered power. There's the cost of going to meetings. There's loss of productivity due to sleep deprivation. A loss of three weeks from work occurred.

The market value of a property is determined by what buyers are willing to pay for it after it is exposed to the market for a reasonable period of time. Affecting market value is the saleability of a property. The more saleable,

the higher the value. Conversely, if there are factors negatively affecting the saleability of a property, the value will be reduced, or it will become much more difficult to sell, or both. If there are factors negatively affecting the property, or unknowns—or in this case, controversy—surrounding a particular property, while those conditions exist, the property will not be saleable at any price. Whether the market value is sustainably reduced or the property is unsaleable, it is a major cost or liability to the owner. That is from a real estate agent in Kincardine.

Ontario common law and MLS rules and regulations set out for Ontario realtors all require full disclosure of factual information regarding properties offered for sale by owners. This means an owner is legally obligated to disclose any information known or expected about a property that may affect a buyer's decision to purchase a property.

My real estate agent tells me our farm is unsellable. Our homes are unsellable or of zero value. Buying a second home to live in, which I've done—possible lawyer fees, possible appraisal costs. Our lives are upside down for the last 18 months, and how do you put a cost on that? This is like someone committing a crime, going to jail for, say, 10 years and then finding out after DNA tests, "Oh, you're innocent." How do you get that time back at our ages?

There have been other costs to Ontario Hydro and Hydro One for testing our problems, which were not caused by them. Values of houses near us are going down. The township lost tax base assessment. I and Sandy have appealed to MPAC to reassess our homes. The drugs are covered, and also to our own drug plans we're going to have to pay more money—and the Minister of the Environment.

Communications: There has been no progress report on what is happening from the companies. Larry Bester, who is the manager at Acciona, will not return our calls. There's no follow-up from the wind project about our health issues. Carol Mitchell had a meeting with us in Kincardine approximately two months ago. We have had no reply from her. I know she's been talking to Suncor. I think two months is unreasonable. Ripley Wind Farm did not give us minutes of any meetings, so nothing is documented legally. No communication from the wind projects when the underground cable failed—

The Acting Chair (Mrs. Linda Jeffrey): Mr. Wylds, you have 30 seconds left.

Mr. Glen Wylds: Okay. I've got three quick questions. The first two are a show by hands. Does anybody on the panel live in the middle of a wind farm? I'll take that as a no. Would anybody, after hearing about the health problems we're having, want to buy a property in the middle of a wind farm? So I'll take that as, nobody wants to live where we want to live. Carol, what's a reasonable length of time for you to communicate back with us on your findings with Suncor?

The Acting Chair (Mrs. Linda Jeffrey): Mr. Wylds, your time is up. The first question is with Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much for your presentation. It has been eye-opening today because up until now, so much of this evidence or testimony has been third parties. Again, I can't comment on the science of it because I'm not qualified to do that. But, Sandy and Glen, do both of you personally suffer from the health effects?

Ms. Sandy MacLeod: Yes.

Mr. Glen Wylds: I was the one with the blood pressure of 217 over 124, on the verge of a heart attack. I had no blood pressure problems prior to that. My doctor told me, "Leave the home."

Ms. Sandy MacLeod: The same with myself.

Mr. Glen Wylds: My blood pressure is normal now, living in Kincardine. I go home to do chores. We run a feedlot of 550 cattle, so I do have to go back and forth.

Mr. John Yakabuski: I look at the report on doctors' visits, and I cannot believe that anybody would intentionally—I know how much I like to go to the doctor, but I can't believe that anybody would want to be going to the doctor this many times and that different kinds of doctors would suggest that obviously they've got some kind of a health issue. It just seems that the government is not interested in addressing them or responding to them.

The Acting Chair (Mrs. Linda Jeffrey): Thirty seconds to respond.

Ms. Sandy MacLeod: The sound that you hear is 24/7 in my house and it's even more intense than this; this is as close as I could find to it—non-stop, and that's low compared to a windy night and it's after we've had our house filtered. I was the one who had heart attack symptoms on February 22. I had it for the first time in 27 years of teaching; I've taught over 4,000 students in my 27 years. I've seen 17 of them pass. I've seen my father-in-law pass of cancer. I've seen my dad pass of cancer. I've never been so very sick. I was in the hospital with heart attack symptoms. The hospital, after seven and a half hours, was able to get all of my symptoms down to normal.

I had doctor's orders at that time to stay away from work and also to stay away from my home until modifications were done. My husband and I spent an extensive amount of money to get electrical pollution done. For example, last night the turbines were really loud. I haven't had a chance to call the spills action centre on them, but they were loud last night. It was difficult to get to sleep, even till 3 o'clock in the morning. Helen herself also had difficulty sleeping.

The Acting Chair (Mrs. Linda Jeffrey): Thank you. Mr. Tabuns.

1700

Mr. Peter Tabuns: One of the issues that people have remarked about has been stray voltage. Has this been an issue on your farms?

Ms. Sandy MacLeod: We have electrical pollution that comes into our home. That's been well documented as well. That's from the unfiltered power that is coming

into our homes, because it doesn't get filtered until it gets to the substation.

Mr. Glen Wylds: The one common thing that we all have—it isn't just the towers; it's the transmission line with the dirty electricity going to the transformer station, going past our homes. The transmission line was 92 feet from my bed.

What happened was, they put us in different motels and paid for it, for them to bury the cable in front of our homes, which they did. In my case, it failed about two weeks later. In the middle of a snowstorm, instead of just leaving the wind farm down, they had K-Line out there jumping the insulators—because the lines were never taken down—to get the power back on.

This is all about money. If this was at Bruce Power, the CEO would shut the plant down. Public health, employee health and the environment are important issues. Darlington would do the same. But since it's a wind farm, people—they live 3,000 miles away. Nobody works for the wind farm who lives on the wind farm—nobody. The manager lives in Shallow Lake, which is about 60, 70 miles from us. They don't do it.

I want everybody to live in my house. Nobody will live in it. I offer to everybody here: Come and live in my house, free.

The Acting Chair (Mrs. Linda Jeffrey): Thank you.

Mr. Glen Wylds: Free accommodation.

The Acting Chair (Mrs. Linda Jeffrey): Questions from the government side? Ms. Broten.

Mr. Glen Wylds: I'll even leave a box of beer in the fridge.

Ms. Laurel C. Broten: Thank you for your presentation today. I am sorry that the wind farm has caused you these health issues and has caused grief for your families.

We had a thoughtful presentation this morning, or earlier today, by the Ontario Federation of Agriculture, who started to analyze some of the differential factors associated with when residents close to wind farms have problems and when there are no problems. They focused on tower noise, transformer noise and location.

In your last comment, you made a comment with respect to the transmission lines and the buried lines. Would that be consistent for all those that you know who are having these health issues? Are they directly related to transmission lines?

Ms. Sandy MacLeod: I'd like to comment on that. That's exactly what a government should do. A government should take all the money we've given in taxes, use some of it to get the science people out there with no association with the wind industry at all—get out there and study this, and don't put up another wind tower or another wind project until you fix the problems. That's what good government does. Good government looks after its people.

Ms. Laurel C. Broten: Have you been working with the Ministry of the Environment on these issues?

Interruption.

The Acting Chair (Mrs. Linda Jeffrey): Excuse me; can you keep it quiet back there? We can't hear the answers of the delegates.

Mr. Glen Wylds: We've been talking to Shawn Carey from Owen Sound. They are doing sound studies, but as Sandy says, it's a combination of things. Our families are unique because we have the unfiltered transmission lines going past our homes. Once you get past the transformer, people north of there, going up to the Bruce, nobody has complained that we know of. It's only five families that have the unique thing about it.

Ms. Laurel C. Broten: Okay.

Ms. Sandy McLeod: I'd like to add to that.

Ms. Laurel C. Broten: Sorry, I just want to make one comment with respect to the importance of having Ms. Mitchell on the committee. I represent a riding in Toronto. Mr. Tabuns represents Toronto–Danforth. It is really important to have an MPP such as Ms. Mitchell on this committee, to have the ability to reflect the reality and the circumstance in her own community. I think—

Ms. Sandy McLeod: Excuse me. Before you go any further—

Ms. Laurel C. Broten: —that should be recognized.

The Acting Chair (Mrs. Linda Jeffrey): I'm sorry, we can't have two people talking at the same time. If

you'll let Ms. Broten finish, I'll let you have 30 seconds to respond. That's how it's going to work. All right.

Ms. Laurel C. Broten: Thank you. For those of us who are trying to assess, "Are there challenges with implementation? What are the specific details?" it really is very important to have someone who represents part of the province where we see a lot of wind development.

Interruption.

Ms. Sandy MacLeod: Okay, just a minute, please.

The Acting Chair (Mrs. Linda Jeffrey): Excuse me, sir. You do not have the floor. Sir, you can leave.

Ms. Sandy MacLeod: Okay, just a minute. Let's think through this clearly. If Ms. Mitchell was going to give the Ontario Legislature, and thus the rest of the province, the best information possible, the best way to do that would be to solve the problems within the farms that are in her constituency right now, take that information back and use it appropriately and prudently so that the harm that has come to us will not be experienced by any other families in this province.

The Acting Chair (Mrs. Linda Jeffrey): Thank you very much. We appreciate your delegation.

We're adjourned. This committee reconvenes in Ottawa tomorrow at 9 a.m.

The committee adjourned at 1705.



Continued from overleaf

Walpole Island First Nation.....	G-533
Mr. William Big Bull	
London and St. Thomas Association of Realtors	G-536
Mr. Joe Hough; Mr. Bruce Sworik	
BlueWater AgriWind Co-op	G-539
Ms. Jeannine Van Kessel; Mr. Mike Van Kessel	
Mr. Ron Stephens.....	G-541
Mindscape Innovations Group Inc.....	G-543
Mr. Derek Satnik	
London Home Builders' Association	G-545
Ms. Lois Langdon	
Ripley Group	G-547
Ms. Sandy MacLeod; Mr. Glen Wylde	

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Oraziotti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)
Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)
Mrs. Linda Jeffrey (Brampton–Springdale L)
Mr. Kuldip Kular (Bramalea–Gore–Malton L)
Mr. Rosario Marchese (Trinity–Spadina ND)
Mr. Bill Mauro (Thunder Bay–Atikokan L)
Mrs. Carol Mitchell (Huron–Bruce L)
Mr. David Oraziotti (Sault Ste. Marie L)
Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Ms. Laurel C. Broten (Etobicoke–Lakeshore L)
Mr. Bruce Crozier (Essex L)
Mr. Khalil Ramal (London–Fanshawe L)
Mr. Peter Tabuns (Toronto–Danforth ND)
Mr. John Yakabuski (Renfrew–Nipissing–Pembroke PC)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. James Charlton, research officer,
Research and Information Services

CONTENTS

Wednesday 15 April 2009

Green Energy and Green Economy Act, 2009, Bill 150, <i>Mr. Smitherman</i> / Loi de 2009 sur l'énergie verte et l'économie verte, projet de loi 150, <i>M. Smitherman</i>.....	G-485
Sky Generation	G-485
Mr. Glen Estill	
Countryside Energy Co-operative Inc.	G-487
Mr. Doug Fyfe	
Farmers for Economic Opportunity	G-490
Mr. Jon Lechowicz	
Bruce Peninsula Land Owners	G-491
Mr. Tim Matheson	
Township of Dawn-Euphemia	G-494
Mr. Michael Schnare	
City of London.....	G-496
Mr. Grant Hopcroft; Mr. Terry Grawey; Mr. Jay Stanford	
Municipality of Chatham-Kent.....	G-498
Mr. Randy Hope; Mr. Tom Storey; Mr. Ralph Pugliese	
Oxford Wind Action Group	G-501
Ms. Joan Morris	
Wind Farm Action Group.....	G-504
Ms. Patti Hutton	
Local Initiative for Future Energy Co-operative Inc.....	G-506
Ms. Linda Laepple	
Renewable Energy Systems Canada	G-508
Mr. Nicolas Muszynski	
Centre for Applied Renewable Energy	G-510
Mr. David Blaney	
Citizens for Renewable Energy	G-512
Mr. Siegfried Kleinau	
TRI-LEA-EM.....	G-514
Mr. William Palmer	
Essex County Wind Action Group.....	G-516
Ms. Colette McLean; Ms. Barbara Ashbee-Lormand	
AIM PowerGen Corp.	G-519
Mr. David Timm	
First Nations Energy Alliance	G-522
Mr. Lee White	
World Alliance for Decentralized Energy	G-523
Mr. Jan Bujik	
Stanton Farms	G-526
Mr. Garry Fortune	
Fraser Consulting and Associates	G-529
Mr. Barry Fraser	
Ontario Federation of Agriculture	G-531
Mr. Don McCabe; Mr. Ted Cowan	

Continued overleaf

CAZON
XC16
-G23

Government
Publications



G-24

G-24

ISSN 1180-5218

Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Thursday 16 April 2009

Journal des débats (Hansard)

Jeudi 16 avril 2009

Standing Committee on General Government

Green Energy and Green
Economy Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 sur l'énergie verte
et l'économie verte



Chair: David Oraziatti
Clerk: Trevor Day

Président : David Oraziatti
Greffier : Trevor Day

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

<http://www.ontla.on.ca/>

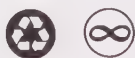
Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Thursday 16 April 2009

Jeudi 16 avril 2009

The committee met at 0900 in the Ottawa Marriott, Ottawa.

GREEN ENERGY AND GREEN
ECONOMY ACT, 2009LOI DE 2009 SUR L'ÉNERGIE VERTE
ET L'ÉCONOMIE VERTE

Consideration of Bill 150, An Act to enact the Green Energy Act, 2009 and to build a green economy, to repeal the Energy Conservation Leadership Act, 2006 and the Energy Efficiency Act and to amend other statutes / Projet de loi 150, Loi édictant la Loi de 2009 sur l'énergie verte et visant à développer une économie verte, abrogeant la Loi de 2006 sur le leadership en matière de conservation de l'énergie et la Loi sur le rendement énergétique et modifiant d'autres lois.

ASSOCIATION OF MUNICIPALITIES OF
ONTARIO

The Chair (Mr. David Oraziotti): We'll start with our first presenter, the Association of Municipalities of Ontario.

As you're aware, you have 10 minutes for your presentation, and there will be five minutes for questions among members of the committee. Whoever will be speaking and responding to questions, please state your name for the recording purposes of Hansard. You can begin your presentation when you like.

Mr. Peter Hume: Thank you very much, Mr. Chairman. My name is Peter Hume. I'm the president of the Association of Municipalities of Ontario and a councillor here in the city of Ottawa. We have provided a written submission to the committee, and I'll make a brief presentation to highlight the important points of that submission.

I'm joined by the executive director of the association, who is on my left, Pat Vanini, and the energy services coordinator, on my right, Scott Vokey.

As a group, municipalities represent the second-largest consumer of electricity in the province. Each year, we spend more than \$955 million on energy. I'm proud to say that we are often the first to adopt new approaches to energy conservation and environmental protection. Without question, municipalities have a significant stake in

matters that relate to energy generation, conservation and the related infrastructure.

Generally, AMO is quite pleased with the green intent of Bill 150. It would encourage renewable energy projects and help reduce energy use. We also appreciate its intent to create jobs, fight climate change and establish Ontario as a leader in the new green economy.

When AMO assesses public policy, we look at its contribution to economic, environmental and social values. Good government policy should increase access to and the equity of services, reduce our use of natural resources, and promote sustainable economic development. We are satisfied that Bill 150 seeks to apply these principles to energy production, conservation, transmission and distribution.

We as an association share the goal of creating a culture of conservation. Conservation, demand management and energy efficiency save money, create jobs, improve reliability and fight climate change. Similarly, new generation from clean sources and distributed generation can enhance grid security, develop local economies and, of course, fight climate change.

We are pleased that Bill 150 would allow a municipal corporation board or service board to operate generation facilities.

We also believe municipalities can help Ontario achieve greater competitiveness and efficiency by promoting the generation of renewable energy at numerous locations throughout the province.

AMO does have a concern, however, with the proposed amendments to planning approvals. We also have a concern with the existing property tax regime for renewable energy projects. I want to outline solutions to these matters, and several other recommendations, but time does not permit me to speak to all of them. They are, however, contained in our written submission.

With respect to the planning approvals, AMO strongly recommends that a new tool be established through the proposed regulation. We're calling it the municipal services permit. The intent of the permit is to protect public health, safety and the environment in the implementation of renewable energy projects that are approved by the province. It would actually deal with those very local site-servicing matters, such as identification of access locations and utility pipelines. It could deal with de-commissioning issues—how to rehabilitate the local infrastructure that has been used in the construction of

these projects—and it would complement the building permit that would have to be obtained.

On the one hand, this new tool can be administered by the province if the province wishes to maintain full control of the land use and building stages, including inspection and enforcement. Someone will have to ensure that the installation of the renewable project meets setbacks, for example. Alternatively, this tool can be a requirement under the Building Code Act, administered by the municipality, which would require the applicant to obtain the permit through the building code process from the chief building official to address the site servicing needs.

While the province wishes to take on the land use approvals, the act is silent on the implementation of an approval such as the municipal permit that we've just talked about. For example, our experience says that there are impacts on roads and ditches from the transportation of oversized windmill components. A mechanism is needed to deal with the tail end of that planning process: the building permit, inspection and enforcement aspects.

We would also look for the legislation and/or the regulations to protect existing agreements between municipalities and renewable energy developers. Municipalities must not be penalized for being early adopters.

With respect to renewable energy generation, we would ask that the bill be amended to promote combined heat and power projects. They reduce greenhouse gas emissions and they lower energy costs.

In addition, we would ask that ministerial powers be expanded to support community-owned renewable energy and conservation projects.

With respect to conservation and demand management plans, we have nine suggestions to improve their practicality, which are laid out in our written report.

Secondly, we strongly believe that municipalities should be allowed to work with LDCs to create broader community conservation plans, but municipalities should not be mandated to do this. In many municipalities, they will have a challenge doing conservation plans simply for their own assets.

We also believe that LDCs should be directed to use a consistent bill format. Multiple formats in LDC billing cause confusion and delay. A common electronic file format would allow for information to be used easily and productively.

As well, access to financing is essential to green investment, and we believe that some thought needs to be given to that.

AMO also proposes that LDCs be directed to provide on-bill financing for small renewable installations and energy-efficiency retrofits via a separate, self-supporting fund.

In the interests of accountability and due diligence, we also believe that a technology advisory council should be created to verify claims made by proponents about the efficiencies of their products. Many municipalities lack the resources or expertise to make an independent assess-

ment of that, and no such resource has existed since Ontario Hydro was deregulated.

In conclusion, Ontario, the economic engine of Canada, can and needs to adapt to change, and lead it, where possible.

In the time that remains, I would be happy to answer any questions you have about our recommendations.

The Chair (Mr. David Orazietti): Thank you very much. We appreciate your presentation. Mr. Yakabuski, questions?

Mr. John Yakabuski: Thank you very much for your presentation this morning. You talked about the economic engine, and that sets a good segue into this. You'll be aware, I'm sure, that last week, London Economics International released an executive summary of a study that they've done that indicates that under this act, electricity prices could rise 30% to 50%, and that the projected, on the ministry's behalf, 50,000 jobs—they have nothing to support how they would generate those. In fact, the rise in electricity prices could actually cost as many jobs as they create. A study from Juan Carlos university in Madrid confirmed that happening in Spain.

If electricity prices rise to that extent—because as municipalities, they're in this game in the same way as other levels of government—what could that do to your ability to provide services? Because those same people paying taxes are going to be paying increased hydro costs.

Mr. Peter Hume: The bill presents a number of opportunities for municipalities to achieve savings through conservation. It also allows them to become generators themselves. So we believe, on balance, that the act provides an appropriate mechanism for municipalities to recoup their costs through the program, through involvement in green energy and green energy production.

Mr. John Yakabuski: So you're okay with it, then, if electricity prices were to rise 30% to 50%? You're okay with that?

Mr. Peter Hume: No one likes to see increased costs, but we believe that we can be part of the generation program, and that's what we're saying. We're saying that our LDCs, which are part of our municipal asset base, can be part of the generation program, and that will be good for municipalities.

The Chair (Mr. David Orazietti): Mr. Tabuns.
0910

Mr. Peter Tabuns: Thank you very much for the presentation. Can I take you to your section on the building code? You say, "New building standards must not be ministerial directives to apply to only public buildings but rather should apply to all new buildings and be in the building code." I hadn't picked that up earlier. You're saying that the standard that municipalities will be held to will be different from that of the rest of the building code?

Mr. Scott Vokey: That's our concern. The provision in the act allows the minister to direct public buildings, and right now it reads as if it would be provincial buildings only. But it's enabling legislation, so that could

easily be extended to public buildings. What we're saying is, that's sound public policy. While those buildings have a bit more upfront costs, the operating costs are lower over time. That makes sense, so why not apply it to all buildings across Ontario as opposed to just public sector buildings?

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: Thank you very much for your thoughtful presentation and analysis, as always. I want to focus, in the time that I have, on the planning approvals process and just pose to you two questions. In your document, on page 6, you say, "The new planning process to be overseen by the REF will apparently 'remove duplication and ... provide clarity....'" I want to speak to you specifically about why you think, by reading your words, that that might not happen. Secondly, I want to ask you whether or not the proposed renewable energy approval process that you set out on page 8 has been tried anywhere else in the world, or whether there were examples that you looked at in setting up this new, possible regime.

Mr. Peter Hume: First of all, the details are often in the regulations, so we're often very cautious about what will happen until we see the regulations, and that's why we use the word "apparently." We want to see the regulations to understand exactly what happens to the planning process. I'm sorry, your second question was?

Ms. Laurel C. Broten: It was with respect to the proposed energy approval process that you set in place with the municipal services permit and whether or not there were models or examples that you looked to elsewhere in detailing how you thought that perhaps we could move forward.

Mr. Peter Hume: No, unfortunately, we've been creating this from scratch. We have not been able to see anywhere else where such a permit is actually functioning. But even though we can't find it anywhere else, we believe that it's important that those very local site considerations, whether it's drainage, how you deal with the road network after construction—there needs to be a mechanism to deal with that. That's why we designed this process to protect those—it's almost like a site plan, if you will—very fine-grained planning details in this process. We felt that that needed to be taken care of.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. That's time.

SWITCH

The Chair (Mr. David Oraziotti): The next presentation is Switch-Kingston's Alternative Energy Cluster.

Good morning, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions. Just state your name for the purposes of recording Hansard, and you can begin your presentation.

Mr. Ted Hsu: Thank you, Mr. Chairman. My name is Ted Hsu, and I'm the executive director of Switch in Kingston. I have with me Bridget Doherty, who is representing a member of Switch.

Switch is a non-profit, grassroots association in Kingston, Ontario. It's an association of businesses, researchers, educators, public institutions, professional students and other interested citizens. Our mission is to make Kingston a centre for sustainable energy. Our members work in the areas of solar, wind and bioenergy; fuel cells; green building; energy conservation and efficiency; education; training; and public policy.

We support the goals of the Green Energy Act, mainly to boost renewable energy and energy conservation, and we applaud the introduction of Bill 150.

In February, our members got together to discuss the expected legislation that we are considering today. I would like to make a few points regarding the bill and its implementation on behalf of our members.

First, I'd like to talk about energy ratings for houses. One member of Switch is the non-profit Hearthmakers Energy Co-operative in Kingston. It performs home energy audits and helps homeowners apply for money from the federal ecoEnergy and matching provincial incentive programs for home energy retrofits.

We believe that Bill 150's required energy audits for houses that are sold should retain the integrity of the current audit system, which is EnerGuide for houses. There has been some talk of dumbing down the energy audit process in order to make it less expensive and, therefore, more acceptable. In particular, it has been proposed, for example, to do away with the blower door test. That checks for leaks in the house, but that defeats the purpose of the energy audit. It's a bad idea, because air leakage can account for up to 30% of the energy losses of a house. In fact, that's the easiest part of the energy loss to correct. The current audit process also results in valuable recommendations, prioritized by cost-effectiveness, on how to improve the building's energy efficiency.

We believe that labelling houses with energy ratings when they are sold will be one of the most important drivers of energy efficiency and will also be a source of jobs.

One member of Switch is St. Lawrence College, which is a pioneering energy systems engineering technician and technologist program. Graduates of this program are ready to work as home energy auditors.

While this work of measuring a home's energy rating costs money, it also creates value and it will drive energy efficiency. It will give a home purchaser clear and reliable information about what they are buying and how much it will cost to live in that house. How valuable is that? I would remind you that the current global recession that we're in started as a financial crisis, triggered in the beginning by subprime mortgages that were sold to people who did not appreciate or were lied to about how much it would cost them to live in their homes.

Next, I'd like to talk about a regional planning process for distributed generation. One of our members is Utilities Kingston and its sister company, Kingston Hydro. They strongly recommend that there be a regional planning process for distributed generation and a planning process that has teeth.

Let me give you an example of why this is important. Kingston is serviced by two transmission lines, a 115-kilovolt line and a 230-kilovolt line. The 115-kilovolt line is used most of the time. Queen's University recently installed a natural gas cogeneration facility that generates 7.5 megawatts, but it's only connected to the 115-kilovolt line and it has to be disconnected when Kingston Hydro switches over to the 230-kilovolt line. That's when electricity demand is very high, like in the middle of the summer, and they have to switch over to the 230-kilovolt line. So they have to disconnect the 7.5 megawatts and replace it by generation from somewhere else.

If there had been a planning process in place, the stakeholders of the 230-kilovolt transformer station in Kingston, which includes Hydro One Networks, Kingston Hydro and the Wolfe Island wind farm, might have gotten together and said, "Although Queen's University derives no benefit from connecting to the 230-kilovolt transformer, maybe somebody else should have been paying that cost because it would make our electricity grid more reliable during peak demand times with that extra 7.5 megawatts of natural gas-generated electricity," and if the Ontario Energy Board had been in the room, they might have agreed to consider whether it would be justified to have ratepayers pay for that extra reliability.

So the bottom line is, if utilities can co-operate with each other, if they can get an idea of local power generation plans—and this will be more important as there's more renewable energy generation—and local power needs and have a clear direction from the OEB on what costs can be recovered, a lot of grid connection issues will be easy to deal with.

Next, I'd like to talk about avoiding picking technology winners and losers or creating unbalanced incentives. One Switch member, the Queen's Institute for Energy and Environmental Policy, would like to say that when implementing the Green Energy Act and in particular when setting financial incentives for renewable energy generation, the government should be aware that technology is changing and should retain as much flexibility as possible. One example given is that bio-refining developments in just a very few years could change radically the economics of using woody biomass in wood pellets.

0920

Another example is that some of our members include researchers who work on solar hot water systems and businesses who sell and install them. For a couple of weeks after the announcement of the new feed-in tariffs, they really feared for their whole business, because they were wary that solar thermal systems would be completely pushed off rooftops by solar PV even though, from an energy and greenhouse-gas point of view, solar

thermal might give you better bang for your unsubsidized buck.

The Chair (Mr. David Orazietti): If you could just back up from the microphone a little bit, we'll be able to pick you up a little better.

Mr. Ted Hsu: Okay. Sorry.

That situation has been more or less corrected by the augmentation of the federal ecoEnergy home retrofit program and the provincial match for installing solar thermal systems, but it points out the need to be careful when you're trying to find a sensible balance between different incentives for different and constantly evolving technologies.

The next thing I'd like to talk about is making resources available to achieve the goals of the Green Energy Act. I'd like to talk about education. One of our members is St. Lawrence College, and they've been a leader in creating programs to train students to work in the sustainable energy fields: to do home energy audits, install renewable energy, service electrical lines under distributed generation, maintain wind turbines, and become green builders. They're concerned that if the Green Energy Act creates 50,000 jobs there might not be 50,000 people to fill those jobs.

The point I want to make is that it takes a couple of years to start up a new educational program. It's very hard to find good teachers because this is a new field, and I want to emphasize how important a trained labour force is. In Kingston, we have one because of the pioneering efforts of St. Lawrence College, and we've been able to use that workforce to support several businesses that sell and install renewable energy equipment; to staff a home energy audit business; to run deep energy audits of schools, saving energy there; to run a solar domestic hot water rental program; and to run public education programs. So please make sure, when implementing this bill, that resources are available to support workforce training so that we will have 50,000 employees ready if there are 50,000 jobs created.

We also are hoping that other governments' policy or spending decisions regarding infrastructure are consistent with the goals of the Green Energy Act. Many members are wondering whether energy efficiency, renewable energy and distributed generation might be a better investment opportunity for the significant resources being allocated to developing nuclear energy generation, given our understanding of the uncertain and potentially underestimated life cycle costs of nuclear energy.

The last point that I want to make before turning over the mike is recognition of early adopters. A number of our members, unsurprisingly, were early adopters of renewable energy generation and they were subscribers to and promoters of the old renewable energy standard-offer program. Now they're a bit embarrassed with some of the people they got into that program. They helped drive the establishment of a vibrant sustainable—energy economic sector in Kingston. We would like to see them be able to switch over to the newer and much higher incentives proposed under the Green Energy Act's feed-in tariffs

that were announced recently to reward them for what they've done.

Sister Bridget Doherty: I'm Bridget Doherty. I represent the Sisters of Providence. The points that I would like to add to Ted's presentation have one aim in common, and that's building local resilience. A strong and resilient Ontario relies on the careful management of our resources, environment and communities. The statement "If it isn't mined, it is grown" sums up our reliance on our environment for jobs, food and energy. I therefore have five points that the Sisters of Providence feel must be considered carefully when finalizing Ontario's Green Energy Act.

The Chair (Mr. David Oraziotti): Excuse me; that's time for your presentation, but if you can take 30 seconds and wrap it up, it would be appreciated.

Sister Bridget Doherty: Okay. No caps on the amount of renewable energy—the aim should be to move towards 100% renewables; supporting households and small production; nuclear energy—we need to look carefully and include everything in the cost calculations; environmental assessments need to be included for all large-scales, including nuclear, wind, solar and others; and energy poverty—with the OEB-proposed LEAP program and the Green Energy Act, the Ontario government is sending a clear message that it understands the need to act on energy poverty. At the moment, we are having people losing their children because they can't afford to pay for their utilities.

Finally, I'd like to thank the government for developing this program. We believe it goes a long way towards building resilience in our communities. Thanks.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Questions: Mr. Tabuns.

Mr. Peter Tabuns: Good morning. Thank you for the presentation. On the question of nuclear power, are you concerned that an ongoing commitment to investment in nuclear will cap the amount of renewable energy that can be generated in this province?

Mr. Ted Hsu: I'm not an expert in that area, but I don't see a direct connection, necessarily, between the two.

Sister Bridget Doherty: I have a different answer. I am very concerned. I think the strict aim that we always should have 50% nuclear will put a natural cap on renewables. That's a very large concern, I think, really.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Thank you. Mr. McNeely.

Mr. Phil McNeely: For Mr. Hsu: I like the part on the energy rating for houses. Of course, you make the important points of not dumbing down the system, not taking the blower-door test out of the checks. That's the cheapest and easiest to fix. You're right on the budget. The paybacks are one or two years. It's the cheapest energy we can get. Would you just like to expand on that a bit?

Mr. Ted Hsu: I just know from my own experience—I bought an old house and I had an energy audit done. I

know I spent very little money to fix the air leaks in my house, and that improved my EnerGuide rating, because I got the new rating after I did all my improvements. It was just so easy to do that. They're proposing to replace the blower-door test with some standard numbers based on, if your house is this old and this big, it must have a certain number of leaks. If you really measure what the leaks are, not only do you find out how much money you can save by fixing those leaks; you find out where the leaks are, because you can feel the air coming into your house. It's the cheapest way of making your house more energy-efficient, and we'd be really sad if that were excluded from home energy audits just to make it less expensive and more acceptable.

Mr. Phil McNeely: Thank you.

The Chair (Mr. David Oraziotti): Thank you. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much. A couple of questions, one on the nuclear: I'd like to ask how you would propose, given that nuclear does make up 50% of the power used in this province and about 40% of our capacity—less capacity than performance because it's very reliable—that we make that up in renewables. Wind you can only count on at a 20% reliability factor at best. How would we make that up if we were to phase out nuclear?

Sister Bridget Doherty: The first thing: We have to really closely look at our demand. First of all, we're assuming that demand will grow, but we haven't done anything—

Mr. John Yakabuski: It always has.

Sister Bridget Doherty: —about conservation. We have done very little. In fact, Ontario uses a lot more than even our neighbour to the south, New York state. If this energy act does look at conservation very seriously, we can reduce demand. That's the first factor.

Ted, you wanted to—

Mr. Ted Hsu: The other thing I would say is that I'm not proposing to get rid of nuclear energy tomorrow. I realize that it provides 50% of our electricity in Ontario. I guess what I would say is, give renewable energy a chance. See what it can do. We haven't really made a serious effort to implement renewable energy in Ontario. There are a lot of technological developments coming online.

We were talking about wind turbines. You can combine wind with hydro so that hydro makes up the difference when the wind is not blowing. You could consider importing hydroelectricity from Quebec to make up the difference when the wind is not blowing or the sun is not shining. Give renewable energy and energy conservation a chance. Push back nuclear a couple of years. Let renewable energy and energy conservation grow, and maybe you will find you can push the big investments in nuclear back a couple of more years. See what happens. Don't cap renewable energy. Don't think that you can't save a lot of energy by conserving or from efficiencies. Let's see what we can do. Let's push, and maybe we can surprise ourselves.

The Chair (Mr. David Orazietti): Thank you very much. That's time for your presentation.

CANADIAN OWNERS
AND PILOTS ASSOCIATION

The Chair (Mr. David Orazietti): Our next presentation: Canadian Owners and Pilots Association.

Good morning, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five for questions. Just state your name for the purposes of our recording Hansard, and you can begin your presentation.

Mr. Kevin Psutka: Good morning, and thank you. My name is Kevin Psutka. I'm with the Canadian Owners and Pilots Association here in Ottawa, but we have representation across the country. In my comments, I'm going to be speaking from notes that I have given to you. The whole presentation is there.

0930

I represent 18,000 people who use small aircraft for personal travel and recreation in Canada. At the outset, I would like to emphasize that our association is in favour of encouraging the development of green energy projects. However, legislation that makes this so should include safeguards that protect safety, the economy and the social aspects that we enjoy in Canada. The proposed act does not currently include a method to ensure that aerodromes are adequately protected in the siting of wind energy projects. The sweeping provisions of the act to override other agreements or provisions for wind turbine placement would therefore have safety and loss-of-use implications for many landing facilities in Ontario.

Ontario's system of aerodromes—certified, registered and non-registered—represents a significant factor in the economic and social fabric of the province. Many aerodromes are operated to support and enhance businesses and also to provide emergency, policing and medical support services. They also serve to promote and encourage many recreational and personal aviation activities. There are 32,000 aircraft and 60,000 pilots in Canada. Many of these aircraft and pilots visit Ontario in the course of their business and personal travel by aircraft. There are more than 9,600 aircraft and 23,000 pilots located in Ontario, who operate regularly out of several hundred aerodromes in carrying out these activities.

Safety and usability issues are created in two ways by location of wind turbines near an aerodrome. Wind turbines present an obstruction hazard when located in the approach and departure paths of a runway. Also, wind turbine blades create wake vortex turbulence which is hazardous to smaller aircraft that may pass behind an operating turbine during low-level manoeuvring for takeoff, landing and in circuit of an aerodrome. Therefore, it's important that approach and departure paths, as well as the circuit pattern around aerodromes, be free from the hazard in order that these aerodromes can continue to be safely used.

In order to appreciate our concern, it's useful to understand the extent of the aerodrome infrastructure system in

the province. There are 73 aerodromes in the province that are classified as airports by Transport Canada. Airports are aerodromes that have been granted an airport certificate by the federal Minister of Transport when they meet the requirements of Transport Canada's document TP 312, including the standards for obstacle limitation services—and I've included a figure there just to give you one indication of how they determine safe areas around airports for obstruction clearances. Of these 73 airports, 34 have registered zoning in effect, restricting the land in the vicinity of the airport from obstructions that would protrude into the defined airspace. This zoning has been enacted in accordance with the provisions of the federal Aeronautics Act to ensure that the airspace in the vicinity of the airports remains clear of obstructions. We trust that the Green Energy Act is not intended to interfere with the registered zoning protection under federal law.

The remaining 39 airports have no registered zoning protection. In addition, there are 71 certified heliports in the province, of which 63 are at hospitals, where they provide critical augmentation to the health care system in Ontario. Any penetration of certain airspace in the vicinity of these airports and heliports would affect the certification status and, consequently, loss of its utility.

Many of these 73 airports and several of the heliports, plus an additional 60 aerodromes in Ontario have published instrument approaches to improve the aerodromes usability in poor weather to, for example, deliver a critical care patient to a specialized care facility. A primary factor in the design of these approaches is the required obstacle clearance, the parameters of which are spelled out in a Transport Canada document, TP 308.

These parameters govern the minimum descent altitudes for aircraft in poor weather conditions and therefore the usability of an airport or an aerodrome. The instrument approach procedures are managed by NAV Canada, but there is no protection in law for these approach procedures. If there is a penetration of the so-called protected surface, NAV Canada can only cancel an approach or raise the aircraft descent limit, thereby effectively reducing the usability of the aerodrome. The economic and social implications should be carefully examined whenever the location of a wind turbine is being considered.

Finally, there are hundreds of aerodromes, some registered, which means recognized officially by Transport Canada and listed in the Canada Flight Supplement, and some unregistered and largely unknown to Transport Canada, but known to those who use them for personal travel and recreation. Many of the properties on which these aerodromes are located were purchased for the express purpose of developing an aerodrome for personal enjoyment and travel. An inappropriately located wind turbine may result in the loss of use of that property for aviation purposes, and this should be taken into account when planning for wind turbine locations.

TP 312 and TP 308 address obstacle clearance requirements and were developed before wind turbines were a

factor in aviation safety. The additional safety issue that is unique to wind turbines is wake vortex turbulence. The downwind effects of turbulence are not well understood but the effects are more pronounced for small aircraft than larger ones. There is no clear guidance regarding how far wind turbines should be located from an aerodrome, but figure 2 of my presentation illustrates that turbulence is a factor. The photo is from the North Sea, where the turbulence generated from wind turbines stirred up the moist air near the surface of the ocean and created clouds that travelled well downwind.

With respect to the role of Transport Canada in this issue, for aerodromes that do not have zoning protection in place, Transport Canada is powerless to prevent a wind turbine from interfering with aviation. On the other hand, if a wind turbine will create a safety hazard, Transport Canada will take steps to restrict or even prohibit aviation operations. For certified and registered aerodromes, particularly those with instrument approaches, Transport Canada could have no choice but to shut them down or severely restrict their usability. This would have a significant economic and social impact for the communities and individual property owners involved.

To date, some townships and municipalities have recognized the importance of considering aviation issues and have written setbacks and other considerations into planning and other documents. The proposed act would nullify these provisions and pave the way for ignoring economic, safety and social implications.

We believe that the existing aerodrome system represents a tremendous economic and social benefit to all the people of this province and should therefore be adequately protected against aerodrome safety and usability issues. Our experience indicates that no single standard in terms of distance away from the aerodrome is appropriate. The safe distance is dependent on the type and classification of aerodrome, the types of aircraft and flight missions operated, and the requirements for local flight procedures to be compatible with the local community—for example, for minimizing noise.

We believe that a provision should be made in the proposed Green Energy Act to require that an aeronautical evaluation be undertaken by a wind turbine proponent in all cases to ensure that all aviation facilities are identified and the potential risks and impacts on aviation facilities are analyzed so that potential adverse effects from the development can be mitigated. This would ensure that aviation safety hazards are eliminated or minimized and that aerodromes can continue to serve the people of Ontario for many years to come.

On behalf of the thousands who engage in aviation as a career, business and recreation, we urge you to amend the act to address our concerns. Thank you.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Ms. Broten?

Ms. Laurel C. Broten: First of all, let me confirm to you that there's nothing in the Green Energy Act that would override the Aeronautics Act with respect to the registered zoning protection. In that light, I have two

questions for you. The first is whether or not there's anything preventing those who have no registered zoning protection from receiving such protection and whether that may be a potential solution to the issues that you raised.

The second question is whether or not, in jurisdictions such as Europe or in the US, where we've seen turbines on a larger scale being developed a number of years ahead of us, there are any models in those jurisdictions with respect to the protection of flight zones and aeronautic zones.

Mr. Kevin Psutka: Yes. The answer to the first question is that the criteria that are involved in taking advantage of the zoning regulations are very strict on which airports can qualify for them. Obviously, the large airports like Toronto, Montreal, London and even the Pickering lands that have been set aside for a new airport do have that zoning protection in place. But many of the smaller regional airports and certainly the unregistered and registered aerodromes do not qualify and will not qualify for that zoning protection, so it has to be by some other method.

Regarding other jurisdictions and the way that they've dealt with this issue, we are aware that in several states in the United States they have written into their development policy for wind turbine projects setbacks from airports and other known aviation activities, and I'm not familiar with Europe.

0940

The Chair (Mr. David Orazietti): Thank you; that's time. Ms. MacLeod?

Ms. Lisa MacLeod: I appreciate the opportunity to question you.

Recently, I had the pleasure of doing a flight with my federal member of Parliament over my riding. My riding is home to several farms, and some are considering wind farms. We're also home to some airports and a flying school. I had an opportunity to see exactly what you're talking about. I think it's quite a serious issue. I just want to confirm with you, because I understand, with your last provision in your presentation, that you believe that the act should be amended to include aeronautical evaluations to be undertaken when a wind farm is put in place, and also to ensure that there are specific setbacks for aerodromes. I support that, and having had the opportunity to undertake a flight with the Ottawa flying school in my community, I think that that is needed.

I just wanted to know if you had any further comments on how it would impact the city of Ottawa, based on the airport, the flying school and certainly our military flying in and out of a very rural area, where the government may come in and supersede any municipal planning to put forward a wind turbine.

Mr. Kevin Psutka: Well, thank you, and I'm glad you enjoyed the flight that you had that day.

Ms. Lisa MacLeod: I did. I'm still here, and there are no by-election calls, so it was good.

Mr. Kevin Psutka: Well, that's good.

There wouldn't be any impact on Ottawa airport because it has the zoning protection, but there are a number of other airports and aerodromes around the Ottawa area where several activities are taking place, including recreation, that could be affected by any desire to put up wind turbines to take advantage of the winds in the Ottawa area, so it's very important.

At the present time, it's being considered in a piecemeal fashion. Some of the wind generator proponents—companies involved—do, as a matter of course, try to find all the airstrips that are in the area, try to meet with the people involved and try to come up with mitigations. In fact, they hire consultants to help them do that. One of our directors is one of those consultants who do this kind of work. But it's a hit-and-miss sort of thing.

In one of the townships in southern Ontario, they did in fact put words into their planning documents that any wind farm that would go up would have a setback of four kilometres for airports, as a result of the study that was done in that particular area.

But my concern is, first of all, that it is piecemeal, and we're out there fighting little battles all over the place because there is no direction for it, but second, and most important, this Green Energy Act would wipe out all that work that has been done in those jurisdictions where they have taken the time to consider the aviation issues.

The Chair (Mr. David Orazietti): Thank you, sir. That's time.

Mr. Peter Tabuns: Thanks very much for the presentation and for putting together the information.

Has anyone done an overall study indicating how many sites of conflict there may be in Ontario?

Mr. Kevin Psutka: Not specifically, no. Each time a proponent came up with a development, like the ones that are north of Orangeville, we did get involved in looking at how many airports or aerodromes were in the area. In that particular case, there were, directly around where the wind farm was, 25 aerodromes that were affected by this.

Mr. Peter Tabuns: Really?

Mr. Kevin Psutka: Yes.

Mr. Peter Tabuns: That's a lot.

Mr. Kevin Psutka: And unfortunately, in that particular case, they didn't come to consider those aerodromes until they were well down the selection process. They actually had the site selected. They were in negotiation with the farmers for the placement of them, and then somebody said, "Oh, there are some aerodromes there. Maybe we should consider this." We'd like that to be upfront so there's not a lot of wasting of time.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. That's time.

Mr. Kevin Psutka: Thank you for your time.

NET-ZERO ENERGY HOME COALITION

The Chair (Mr. David Orazietti): The next presentation is Net-Zero Energy Home Coalition.

Good morning. Welcome to the Standing Committee on General Government. You have 10 minutes for your

presentation and five for questions from committee members. Just state your name for the recording purposes of Hansard, and you can begin your presentation.

Mr. Gordon Shields: My name is Gordon Shields. Before I begin, I just want to indicate that you have several slides that have been compressed on a few sheets of paper. It's just to help illustrate a bit of what I'm trying to discuss in this very short period of time. We can refer back to them, if you wish, during the questions, if there are some. If there are further follow-ups, we'd be happy to help you on an individual basis as well.

Good morning. It's a pleasure to be here today on behalf of the Net-Zero Energy Home Coalition. My name is Gordon Shields. I'm the executive director of the coalition. The coalition was formed in 2004 and has been working with the various levels of government in an effort to raise awareness and encourage support for the development and deployment of net-zero energy homes in Canada. We represent a cross-section of stakeholders primarily involved in the new residential construction sector. Our organization has become the leading voice on the advancement of net-zero energy homes across Canada. We have held multiple workshops and forums domestically and internationally, which has culminated in a proposed blueprint framework strategy for deployment of net-zero energy homes. Some of that is articulated in the slides.

When we initially began our efforts, the question was, "What is a net-zero energy home, and why support this style of home versus just promoting our existing efforts behind R-2000 homes or even Energy Star labels?" The most important aspect of a net-zero energy home is the ability to produce, at a minimum, an annual output of renewable energy that is equal to the total amount of its annual and consumed purchased energy from utilities. On the green building continuum, it's a transformative step forward that is happening in other countries and is slowly taking root here in Canada. Most importantly, a net-zero energy home is grid-tied. This allows for the home, and ultimately the consumer, to integrate and become part of the energy mix solution, enabling both a culture of conservation and a transformation in the way homes are built and interact within our energy systems across Canada. Indeed, the net-zero energy home represents the potential for a paradigm shift in the design of energy policy and its interrelationship with Ontario and Canadian homeowners alike—not just homeowners as consumers, but also as energy producers.

While this step forward is taking time to take root in Canada, the Green Energy Act is an important enabler. However, the Green Energy Act alone will not satisfy all that's required to effectively integrate Ontario homeowners into a sustainable energy mix solution for the future if attention is not given to accelerating larger partnerships on initiatives that enable zero- and low-interest mortgages, capacity-building, education within the home builders' sector, and education within the consumer and realty sectors.

I urge committee members not to overlook the important work happening at the federal level. The Green

Energy Act can be leveraged with the progress that is being made with our coalition and the federal government. There must be more coordination among jurisdictions that are working in the same direction. With our coalition's assistance, Canada now has 15 demonstration net-zero energy homes, two of which are in Ontario. There is currently a technology road map on sustainable housing under way, which is aimed at addressing barriers and opportunities for improving the design and integration of net-zero energy home principles and other issues, such as waste, water conservation, affordability and others. Finally, in our coalition's work with the Asia-Pacific Partnership on Clean Development and Climate, Canada is establishing itself as an emerging leader in this area and leveraging the work of our coalition in an effort to build wider public sector and, most importantly, private sector participation toward innovation, technology exchange and demonstrations.

The coalition notes that the Green Energy Act intends to make energy efficiency a key purpose of Ontario's building code. We applaud this and agree that it is an important step forward, but what is equally important is the need to advance a building code that inspires not just conservation, but also production. For too long, governments have directed most of their policy and regulatory attention on climate change toward industry—large final emitters, for some who know this. This is only half the problem. The other half is the built environment—and when it comes to our residential sector, it represents 16% of our greenhouse gases and 17% of our secondary energy use in Canada. If we're truly to find a balanced and holistic approach to climate change, then more attention must be directed to expanding net-zero energy housing, and the Green Energy Act can help do this.

In this very brief summary, I've outlined some positive aspects of the Green Energy Act and its potential for helping advance deployment of net-zero energy homes in Ontario. However, the fact remains that a significant policy gap continues in the way we deliver programming for the residential sector. In particular, there is no program for new residential construction that helps transform our industry toward this next generation of housing. Such a program is important, as well as the need to support visible community-scale demonstrations that help address economies of scale and the learning curve associated with the design and integration at the builder and developer level.

The Green Energy Act helps address several barriers to the deployment of renewable energy integration. However, it can be further improved by applying a vision that ensures market penetration of not just renewable energy but a transformation in the way we build and see our homes in the future.

0950

In conclusion, governments are doing good work on improving the energy efficiency of our current building stock. However, if we don't start turning more attention to new construction and developing a pathway to the principles of net-zero energy housing, then we will be

continuously trying to correct the mistakes of the past. The glass is not half empty, but surely there is more to do. I look forward to answering any questions you might have.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Ms. MacLeod, questions?

Ms. Lisa MacLeod: Welcome, Mr. Shields. Are you from Nepean–Carleton?

Mr. Gordon Shields: Indeed I am, Lisa. How are you?

Ms. Lisa MacLeod: You're the federal Liberal president for the Nepean–Carleton Liberals. I was sure—I've not met you yet. Welcome to our committee. I'm just subbing in here today.

I do have a few quick questions for you. One is with respect to real property. The act allows the minister to essentially overrule real property title insurance. This has several people in the title insurance industry—my critic area is consumer protection—and so it has a lot of realtors concerned as well. I'm wondering if you have any comments on that section of the legislation as it would pertain to your line of work.

The other is the increase that we're probably going to see as a result of this piece of legislation. London Economics has done an evaluation and has suggested that energy bills could increase by as much as 30%.

In our community, we have a small independent grocer, Ken Ross. He spends about \$30,000 a month on hydro. When I talked to him about the potential increase of 30% on his existing hydro bill, coupled with several other economic policies that he's going to be confronted with in the next year, he was very concerned.

So I would ask you, then, on the question of real property, and the overrule that the minister would have, as well as the increase in energy bills, how you think that would impact your line of work, but also any recommendations you may have for this committee so we may move forward.

And it is a pleasure to finally meet you and put a face to a name. So, welcome.

Mr. Gordon Shields: Thank you, Lisa. I'll start with the latter question. Energy prices: This is inherently a challenge in any nation, in any communities that want to pursue renewable energy deployment. At the end of the day, energy prices are expected to rise. How fast they rise as a result of particular programs from governments and the promotion of renewable energy in that: I can only say to you that the faster we find solutions that help homeowners lower their operating costs, the more effective ways you're going to be able to offer solutions to consumers to integrate these kinds of choices into their homes, and indeed for businesses to integrate this into their regular business activities.

Operating costs are the biggest challenge. Energy prices are going to continue to rise. We're seeing a low in the price only because of a global economic turnaround. Those prices will probably return upward very shortly.

With that in mind, if we assume that we can't move forward on promoting renewable energy or the integra-

tion of renewable energy into the built environment simply because it might increase the cost of prices overall for everybody who is using this source of energy, I think that's a short-term vision. I think the longer-term vision is, how do we improve the energy mix in our country and, in this case, in Ontario to a cleaner source?

The Chair (Mr. David Oraziotti): On that point, I'm going to have to stop you. That's time. Mr. Tabuns.

Mr. Gordon Shields: I didn't know that. Sorry. Just for my reference, it's a short—

The Chair (Mr. David Oraziotti): Five minutes, and we're trying to get through all the members.

Mr. Gordon Shields: Okay, very good. Sorry. My apologies.

The Chair (Mr. David Oraziotti): It's okay.

Mr. Peter Tabuns: Good morning, Gordon. Thanks very much for the presentation.

There are other countries that have requirements in their building codes that house incorporate renewable energy into any new construction. Do those codes also require a particular orientation toward the sun? Do they protect access to sunlight so that any new home isn't denied access to that energy source?

Mr. Gordon Shields: I can't offer you specific examples. There are some jurisdictions, I'm advised, where they have right-of-access or right-to-solar legislation in place.

What I can suggest to you is that it's not necessarily the need to implement laws or even regulations. Most importantly, it's education. We have builders who are very good in this city alone, and across the country. We have a reputation internationally for great builders. It's a question of how we educate the developers and the builders alike to better design those communities that meet the future goals of the communities at large on a clean-energy path, on a path to sustainable housing, ultimately.

Regulation could help, but ultimately the biggest challenge is education. How do you bring synchronicity with education and also a market reality for the builders so they can sell that product and not have it costlier for them and be less competitive with their competitor who is across the street from them? I think codes and regulations help, but I wouldn't say that's the first step we should only move toward.

The Chair (Mr. David Oraziotti): I'm sorry, that's time. Ms. Broten.

Ms. Laurel C. Broten: Just picking up on your last comment with respect to market reality, a number of home builders will say to us, "We could undertake those measures but, ultimately, when a young couple is looking at purchasing their first home or a couple is looking at purchasing a home later in life, the price point is really their determining factor in many respects." What's your best advice on how you get around that? I suspect you'll say "education," but what are other elements of how you can incentivize a purchaser to look to those energy efficiencies that have a long payback?

Mr. Gordon Shields: I think the emphasis should be taken away from payback. We don't have a payback on

our pool that we install or the granite countertops we install in our house. You're not looking for a payback; you look for that because you want that in your house. It's the return on investment of, in one year, improving your environmental footprint, so a return on investment that you're integrating with the energy mix. You're indeed part of the energy solution in your province, region or community. It's the return on investment, the value added to the house that will come with that if indeed the house is sold in the future. It's the return on investment, not the payback. If we get around the payback question or put less emphasis on that, I think it'll be easier to inspire consumers to purchase these homes for the future.

Ms. Laurel C. Broten: Thanks very much.

The Chair (Mr. David Oraziotti): Thank you. That's time. We appreciate your presentation this morning.

CANADIAN RENEWABLE ENERGY ALLIANCE

The Chair (Mr. David Oraziotti): Our next presentation is the Canadian Renewable Energy Alliance.

Good morning, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members. Just state your name for the purposes of our recording Hansard, and you can begin right away.

Mr. Roger Peters: Thank you very much. Good morning. My name is Roger Peters. I'm the national secretary of the Canadian Renewable Energy Alliance, an alliance of non-government organizations across Canada, from BC to Newfoundland, that is working toward and supporting a global transition to renewable energy and energy conservation.

I would like, first of all, to commend the government of Ontario for the introduction of the Green Energy Act. I think it truly is a major step forward. The use of long-term, secure feed-in tariff pricing and priority connection from renewable power sources makes Ontario a leader not only in Canada but also in North America. If Bill 150 passes and its regulations are fully implemented, Ontario stands to benefit from the establishment of new, renewable power industries and jobs, stable power prices, revitalized communities and reductions in greenhouse gas emissions. As previous speakers mentioned, the price of energy is going to go up anyway. We need to make sure that it's stable and to reduce the demand as much as possible.

We have a few minor changes that we're proposing for the feed-in tariff structure, which I'll get to later on. There is a written submission, which I think you have in front of you, that we've brought in and that I'll speak from today. Bill 150 also proposes to foster a culture of conservation in the use of electricity, gas and other resources. The Green Energy Act provides significant powers to the Minister of Energy and Infrastructure to encourage conservation and to finance conservation programs. It makes energy efficiency mandatory as part

of the building code and requires audits at the time of sale of buildings. These are very significant steps forward. However, it still places Ontario behind leading North American provinces and states such as Manitoba, California and New York state, which we heard about earlier. Without the establishment of a dedicated agency to manage conservation programs and a specific mandate to procure all cost-effective conservation through a permanent funding mechanism, we think many opportunities for conservation will be missed and Ontario will not meet its climate change or economic goals.

I'd like to cover three areas, starting with the establishment of a dedicated agency of conservation, and then moving on to the feed-in tariff structure and the support for community ownership. Leading North American jurisdictions in conservation and efficiency, like the ones I just mentioned, have three key features in their programming or policies which are missing from Bill 150. The first is a dedicated agency to coordinate and manage conservation, second is a permanent and equitable funding mechanism for funding conservation programs, and third is a mandate to procure all cost-effective conservation before acquiring supply. We believe that these features should be incorporated into Bill 150 in order to reach our goals. It also makes sure that conservation programs are available all across the province and not just in areas where local distribution companies have good programs.

1000

First of all, looking at a new energy agency: The elimination of the conservation bureau at the power authority, which is part of Bill 150, leaves a huge gap in the promotion of conservation in Ontario. Providing new powers to the ministry is very important, but we think this should be accompanied by a new body to fill the vacuum.

As I mentioned earlier, without such an entity, and this is a very important point, there's a danger that Ontario's energy conservation program will consist of a patchwork of programs offered by distribution companies, with cost-effective opportunities lost in many sectors and regions. So we're suggesting a new addition to the Ministry of Energy and Infrastructure provisions in the act. The unit would become a private agent for planning and setting targets in coordination conservation programs.

In terms of financing, there are provisions in the act for the Ministry of Energy to collect through the Ontario Energy Board funds for the administration and financing of energy-efficiency programs. At the moment the provisions provide more of a kind of ad hoc, when-required type of approach to financing. We think this should be replaced with something like a public benefits charge where there is a small fee on every kilowatt hour and cubic metre sold. This is very common in the US and it has led to very good permanent funding of energy conservation programs. So we suggest that the act be amended to include that in place of the ad hoc provisions there now. These are very good provisions in the act, but they just need to be made more permanent and effective.

In terms of cost-effective conservation, we think that right now the act allows the ministry to make directives to utilities to run conservation programs. We think that this, again, should be replaced with a more general acquisition for all cost-effective conservation. This would make it a lot clearer for utilities defining cost-effectiveness as being less than supply, assuming consideration also of the environmental and social costs of supply. This would be, I think, a clearer mandate to utilities.

Those are the three areas in the conservation area that we think could be added. I think, in terms of the act, the conservation side is the weaker of the two. As I mentioned earlier, the feed-in tariff and renewable side makes Ontario a leader in North America.

There are a couple of things that we think could be added to the feed-in tariffs structure. One would be making the feed-in tariffs the primary procurement structure for power in Ontario. In this case we suggest that, instead of the term "may," the term "shall" should be used in the act for procuring renewable energy.

The other is to include natural resource intensity, in other words the variation of power intensity of, say, wind and solar and others in different parts of the province. This is a system that's used very clearly in Europe.

The third is to make sure that we do take note of new technologies. As we heard earlier, wind on its own is an intermittent resource. If you couple that with storage or link it with electric vehicles or with hydro or with some of the new battery technologies that are available, it ceases to be an intermittent source and becomes a time-varying resource that can meet peak demand. We want to make sure that all of the structures in the act allow for this technology to come down in the future and be used in the future. So we definitely need that.

The last point I'd like to make, as was made earlier by, I think, the first speaker today, Peter Hume, is that we do need to look at encouraging community ownership of renewable energy sources as well as their operation. I think there's a huge opportunity there, and this is what has brought forward a lot more deployment in both Denmark and Germany, for example, in terms of community ownership of renewable energy.

Those are the three areas that I think we're recommending: the dedicated agency and funding mechanism for conservation, some fine adjustments to the feed-in tariff to make it more effective, and the encouragement of community ownership. Thank you very much, and I would welcome any questions.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Mr. Tabuns is first up.

Mr. Peter Tabuns: Thank you very much. I appreciate the work that has gone into this.

The conservation agency: Are there other jurisdictions that have a similar conservation agency and that have actually shown a very good track record on promoting conservation?

Mr. Roger Peters: Definitely, yes, in some cases, like the case of California with the California Energy Commission; with NYSEDA in New York state; with Effi-

ciency Vermont; with Efficiency New Brunswick, which is a new agency there that has done very well in the short time it has been in operation. In Wisconsin, they have an agency such as this; and in the province of Manitoba, Manitoba Hydro, which is a crown agency, is now being given total jurisdiction over all conservation programs in the province.

So the track record is very good. I think if you look at provinces or states without a central agency, then there's a significant difference.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziatti): Thank you very much.

Ms. Laurel C. Broten: I want to ask you a question with respect to community power ownership. We heard in committee a couple of days ago from those that seek to establish co-operative ownership, and their submission to the committee was that local ownership was a challenge in terms of raising sufficient funds to move forward with projects locally. But what they suggested was that we should be willing to accept an alternate form of local community ownership, which was the community of co-operative owners who would not necessarily live in that community.

I wanted to raise that suggestion with you to get your feedback on whether you viewed that as another form of community ownership, because certainly it doesn't buy into the local deployment and local aspect of it if the co-operative owners are elsewhere.

Mr. Roger Peters: It depends on where those co-operative owners were. There are several examples. For example, in the city of Ottawa there are several city-owned facilities or community facilities that are run by community organizations, which are owned by the city, but they could have solar PV systems on them feeding into the grid, and they'd be owned by the community. There are various ownership options for that, either by the city itself or by the community association or by a co-operative like Sustainable Ottawa, which was set up just for this purpose.

So there are lots of models where there could be community ownership, and having the appropriate financing mechanisms in place for those co-ops and other ownership structures to borrow the money, as well as attract a few co-operative investors, would be a really good solution.

Ms. Laurel C. Broten: Thank you.

The Chair (Mr. David Oraziatti): Thank you. Mr. Yakabuski, questions?

Mr. John Yakabuski: Thank you very much for joining us this morning, Mr. Peters. You mentioned the European example a few times in your presentation, and you also talked about jobs. We know that in Denmark electricity is roughly about three times what it is here, and in Germany it's at least twice what it is here for homeowners. The price of electricity matters a lot, particularly to families and low-income seniors. I certainly want to know how you expect our low-income people and seniors and families to be able to absorb those kinds of electricity prices here.

Secondly, you talk about the jobs. The minister has pulled a figure out of the air and said, "Fifty thousand jobs over the next three years." Just to put that in perspective, before the meltdown, there were 38,000 people employed in the automotive manufacturing sector in this province as a total. There are 35,000 people currently employed in the total electricity generation and distribution system in the province of Ontario—all utilities: 35,000 people. Where would we ever come up with another 50,000 jobs with the limited amount—that the minister says when he wants to give one message—of actual penetration that we're going to have with this new renewable energy Green Energy Act? Maybe you could address the jobs issue and also the pricing issue.

Mr. Roger Peters: Well, in terms of the pricing issue, as several other speakers have mentioned it we're going to see increases in price no matter what. Whether there are policies to encourage renewable energy, whether it's use of natural gas or oil or nuclear, it's bound to increase prices. There's nothing we can do about that. We may not catch up to what the European prices are, but they're going to include—anyway, it makes it even more important, as we heard earlier, to reduce demand. If we can reduce demand at least as much as or more than the price of energy is going up—and 30% reduction in energy use is quite possible for all users. Effectively, you're compensating; it doesn't mean the bill goes up at all. I think we have to (a) make sure we have that energy efficiency being pushed to the greatest cost-effective extent and (b) accept that these prices are going to go up no matter what. We shouldn't single out renewable energy as being the thing that makes prices go up. They will go up anyway.

1010

On the job side, I'd like to give an example of what happened in Vermont with Efficiency Vermont. They've been going for a long time. They work very closely with industries all across Vermont on this very issue of energy pricing. Instead of companies throwing up their hands and saying, "If prices go up, we're just going to close down," they go to Efficiency Vermont and say, "Work with us to reduce our energy costs so that the price increase that's happening does not affect us." They've been very successful. There's a major furniture company that was established in Vermont for 100 years that was going to close down. It's still there mainly because Efficiency Vermont worked with them.

The Chair (Mr. David Oraziatti): Thank you very much for your presentation, sir. That's all the time that we have.

OTTAWA REAL ESTATE BOARD

The Chair (Mr. David Oraziatti): Our next presentation is the Ottawa Real Estate Board. Good morning and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members. State your

name for the purposes of our recording Hansard, and you can begin your presentation.

Ms. Linda McCallum: My name is Linda McCallum. Thank you for the opportunity to present to this committee on the Green Energy Act, 2009. I'm the chairman of the government relations committee of the Ottawa Real Estate Board. Joining me today is Alison Larabie Chase, our communication officer.

A few words about who we are: The Ottawa Real Estate Board represents more than 2,400 members. These are real estate salespeople and brokers. The board was founded in 1921 to organize real estate activities and provide services and support to our members. The board also works to promote higher industry standards and preserve private property rights.

We are pleased to be here today to speak on Bill 150. Ottawa realtors are deeply concerned about subsection 2(1) of that bill, the requirement for mandatory home energy audits. The Ottawa Real Estate Board strongly believes that a mandatory home energy audit will impose unnecessary costs on homebuyers and sellers and will add an unnecessary barrier to home ownership. As such, Ottawa realtors oppose mandatory home energy audits, and we urge that this committee amend Bill 150 to make the energy audits voluntary. Our members support the government of Ontario's existing home energy audit program whereby home owners are offered rebates to voluntarily assess the energy efficiency of their home.

Much like other areas of the economy, Ottawa's real estate market is feeling the effects of the current recession. MLS sales for the Ottawa Real Estate Board are down 8.7% so far this year. Despite the enormous challenges facing our local economy, our members remain committed to helping people in the Ottawa area become home owners.

Let me give you some more specific reasons why Ottawa realtors oppose mandatory home energy audits. First, the government has indicated that mandatory home energy audits will apply only to single-family homes. This would place a disproportionate amount of the cost of going green on single-family homeowners.

Ontarians will benefit from a cleaner environment. If the government maintains that a cleaner environment is indeed a public good, then everyone in Ontario should pay, not just single-family homeowners.

Furthermore, mandatory home energy audit reports will have a serious cost implication for the home sellers. Those with less-than-ideal energy audit ratings will certainly face pressure from homebuyers to either spend thousands of dollars to improve the energy rating of their home or lower their asking price. This problem becomes even more apparent when you consider the age of some of the housing stock in Ottawa, particularly in some of the city's oldest areas like Centretown, Vanier, the Glebe, Old Ottawa South, the Civic Hospital area, Wellington Village, Westboro, Lower Town and Sandy Hill, just to name a few.

Seniors will also be disadvantaged by mandatory home energy audits. Many of Ottawa's seniors are

hoping to rely on the equity that they have built in their homes to help them finance their retirement. Mandatory home energy audits will force senior homeowners to either complete energy retrofits, at tremendous cost to their retirement savings, or lower the asking price of their home in order to compete with the newer, more efficient ones. Even if homeowners do reduce their asking prices as a result of a poor energy audit rating, there is no guarantee that the homebuyers will invest these savings in energy-efficient retrofits. In fact, a survey done in 2008 by the Canada Mortgage and Housing Corp. found that most home renovation dollars in Ontario are spent on cosmetic alterations and major repairs, and that only 5% of owners who renovated their homes that year did so to improve their energy efficiency.

Just as worrisome for Ottawa realtors is the impact that mandatory home energy audits will have on our local economy. Simply put, as a barrier to home ownership, mandatory home energy audits will act as a brake on the real estate market, which will in turn impact our struggling economy. On average, the sale of a home in Ontario generates an additional \$33,425 in benefits to the economy. In 2008, 13,733 homes were sold in the Ottawa area, generating nearly 460 million additional dollars in economic benefits to our local economy. At a time when large employers like Nortel are going under and consumer confidence is shaky, the government should encourage consumer investment in housing, not hinder it.

Supporters of the mandatory home energy audit argue that audits are required to provide homebuyers with all the necessary home energy information to make an informed buying decision. Realtors know that there is information already available to provide homebuyers with an overview of the energy efficiency of a home. For example, the most widely used method of informing homebuyers of the level of home energy consumption is utility bills, and these are available for free and upon request. They provide prospective homebuyers with a snapshot of the energy consumption of a home in real, measurable terms—the dollars and cents.

Furthermore, homebuyers can also turn to home inspectors for more detailed home energy information. Home inspectors check the condition of windows, doors, insulation, and heating and cooling systems, and they provide advice to prospective homebuyers on the state of those parts of the home that have a direct impact on its energy use. An energy auditor inspects many of the same aspects of a home as the home inspector does. To realtors, this represents unnecessary regulatory overlap and an unnecessary additional cost to homeowners.

In conclusion, Ottawa realtors oppose mandatory home energy audits. We oppose them because we believe they will have a negative effect on the Ottawa resale housing market as a whole. Members of the Ottawa Real Estate Board are, however, eager to work with the government of Ontario to continue to promote the existing voluntary home energy audit program. It is no secret that the majority of referrals for home inspections come from realtors. In a similar fashion, we can work with the

government of Ontario to promote voluntary home energy audits so that consumers can get as much information as they want about their next home purchase.

Once again, thank you for the opportunity to address this committee on a very important issue. We would be happy to now take any questions.

1020

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Government caucus, Mr. McNeely?

Mr. Phil McNeely: Thank you, Ms. McCallum, for the presentation. A member of the opposition mentioned that on the energy audit part of the bill—as recorded in Hansard—we should think “caveat emptor,” and I believe that means “buyer beware.” In arguing against the energy audits—and we’re talking about \$150, after the rebate from the provincial government. It’s a \$150 expenditure to know quite a bit about your home that would give a buyer and the seller important information on the energy costs of running the home—an important factor, and often as important, if you look long-term, as the cost of the home.

I think we all expect energy prices to increase worldwide—that is a natural thing—so the energy cost of homes is going to become more important all the time.

The energy audit can access retrofit rebates of up to \$10,000 from Canada and from Ontario. Canada believes it’s an important program. The energy audit was developed by the federal government.

So I’m just asking you that when it comes to selling a home, from the point of view of the seller and the buyer—and we heard about the door blower test identifying a lot of the problems with homes—do you feel that “buyer beware” is good enough?

Ms. Linda McCallum: No, I definitely don’t. I am a working, licensed salesperson. I have been a realtor for all of my life. I believe that we have enough in place already so that buyers are not dealing with that “buyer beware” scenario.

We do request, and we do receive, the bills—hydro, water, gas—from every homeowner, and we pass that information along.

We do have home inspectors who are really well qualified. Home inspectors were unheard of in the mid-1980s. It’s the real estate industry that brought home inspectors to the forefront, where they are today, because we really believed in protecting the consumers, both the buyers and the sellers.

The energy audit program that’s being presented here is almost like an overkill to me. The average buyer is going to hire a home inspector. That home inspector is going to check all the mechanics of the house. We’re going to have all the bills in place. So we’re really going to have a good snapshot of how energy-efficient that house is already. If the seller is—

The Chair (Mr. David Oraziotti): Thank you. That’s the time for questions for the government caucus. Ms. MacLeod.

Ms. Lisa MacLeod: Welcome. It’s great to have you here today. I want to congratulate the Ontario Real Estate Association, which I know you’re probably a member of, for being great advocates. They’ve met several times with me as the consumer critic and with my colleague who is our energy critic.

There are several pieces of this legislation that will negatively impact your industry. One is the energy audit. You rightly point out that it does not do much for energy conservation because people can either proceed or not. It will also skew the market. In an area like mine, which is the fast-growing communities of Barrhaven and Riverside South and Greely, it’s going to be a real detriment to homebuyers in my community, who are also going to be hit with the HST, which is going to impact your business.

I have a question on real property. In section 4(2) of the Green Energy Act, “A person is permitted to undertake activities with respect to a designated renewable energy project or a designated renewable energy source in such circumstances as may be prescribed, despite any restriction imposed at law that would otherwise prevent or restrict the activity, including a restriction established by a municipal bylaw, a condominium bylaw, an encumbrance on real property or an agreement.”

When I spoke with OREA, as well as title insurance of Canada, there were several concerns there, based on the fact that if there are two people entering into an agreement, the government may, as a result of this legislation, override that agreement. That will severely impact those homeowners who are either selling or buying a home when they work with you. I’m wondering if you have any sense on how that will impact this region, but also any recommendations you may have with respect to what I consider a very dangerous and slippery slope in this legislation in section 4(2).

Ms. Linda McCallum: I think that in a lot of ways, regardless of what we try to make mandatory, whether it be the energy bill or the new tax system, all of it is a very slippery slope because we start to infringe on people’s rights; and once you start to infringe on people’s rights, they become very, very unhappy.

Ms. Lisa MacLeod: I want to thank you for everything that you’ve done for your region. I know that every one of my colleagues has received a letter from every single realtor in the riding.

The Chair (Mr. David Oraziotti): Thank you, Ms. MacLeod. That’s time for questions. Mr. Tabuns.

Mr. Peter Tabuns: Thanks very much for the presentation and for being here today. I’m trying to reconcile some things here. You said just now that in fact most buyers will know how energy-efficient the homes are because they have the bills and they have a snapshot. So why would an energy audit depress the value of the home if what they see from the bills will simply be confirmed by the audit?

Ms. Linda McCallum: I think it’s the process that I object to. If you have the seller do the energy audit, the buyer cannot rely on that as a third party if you want to access any of the grants that are available. The buyer

doesn't own the home; the report wasn't done for the buyer. So then you need to have the second energy audit done when the buyer owns the home so that they can then make the improvements, apply for the grant and have the third energy audit done. So in actual fact, what this is doing is setting the standard for every home to end up with three energy audits done on it, not one.

Mr. Peter Tabuns: I can see where there may be a bureaucratic problem, and my hope would be that the government would address that, if that is indeed the issue. But then, in fact, there is no depression of the value of the homes. That's not really a problem.

Ms. Linda McCallum: No—

Mr. Peter Tabuns: No, there wouldn't be a loss in the value of the home.

Ms. Linda McCallum: Well, there would be—

Mr. Peter Tabuns: Why? Because—

Ms. Linda McCallum: —depending on people's perception.

Mr. Peter Tabuns: But if they already know what the energy efficiency is from looking at the bills, then the audit is not going to change that reality, unless you're telling me the audit will show a dramatically different picture from what the bills show.

Ms. Linda McCallum: It certainly can, because the bills also apply to lifestyle. The energy audit—

Mr. Peter Tabuns: So the bills don't actually say, then, what the energy efficiency is?

Ms. Linda McCallum: It's a good measure and the home inspector gives the best measure because he checks all those things. But let's face it: If it's a family of five with three kids in diapers, the energy usage is going to be higher in that home than the career couple that are out from 8 until 6. It's just a measure. But I believe that this mandatory energy audit, like everything else, is going to have some subjectivity about it. Today the average buyer knows that if they're buying a 100-year-old home in the Glebe that has beautiful leaded windows, they are not energy-efficient. It's a no-brainer.

The Chair (Mr. David Oraziotti): Thank you very much for your comments. That's time for questions. Thank you very much for your presentation.

Ms. Linda McCallum: Thank you very much.

GLENGARRY FEDERATION OF AGRICULTURE

The Chair (Mr. David Oraziotti): Our next presentation is the Ontario Federation of Agriculture.

I also just want to remind members that in the questions, you'll have a minute and a half or so, and if you use that time up, the presenter will not have an opportunity to respond.

Good morning, and thanks for being here today. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. Just state your name for the purposes of our recording Hansard, and you can begin your presentation.

Ms. Wendy Beswick: Good morning. I'm actually with the Glengarry Federation of Agriculture. It belongs to the Ontario Federation of Agriculture, but I would like to specify that I'm actually representing Glengarry farmers and not Ontario farmers.

Let me be perfectly clear: We in the Glengarry Federation of Agriculture are not against the production of green energy. As a matter of fact, we recognize the importance of environmental protection for future generations. As farmers, we are one of the earliest of conservationists. Our concern for the environment is authentic. We not only talk the environmental talk, but we walk the conservation walk.

Let me be perfectly clear again: We take our responsibility of environmental stewardship extremely seriously. Farmers have a lot to offer and a stewardship ethic that is true. Farmers have always acted as land stewards and provided environmental services to society, quite often at the expense of food production. Prime farmland is coming under more and more pressure every year. There's urban encroachment, with the resulting land price increases that have made it extremely attractive for farmers to develop their land rather than farm it. Society needs to take as much energy to protect our prime farmland as we do any other endangered species, because it truly is an endangered species.

1030

It is imperative for the government to understand agriculture and its issues. Farm income crisis, landowner protests and commodity pricing issues are often tied to government policies—policies that make sense in the office towers of Toronto but that wreak havoc in rural communities. Yes, Toronto legislators think that it makes great sense to create a greenbelt to halt urbanization, but the reality is that urbanization jumps the greenbelt and continues on while the land prices in the greenbelt plummet. There are a thousand other examples of policies and their consequences. Policies regarding the environment, taxes, animal welfare and land use all have a direct impact on farm operations and, by extension, on everyday Canadians. It is nearly impossible for the average person to be knowledgeable on all the issues behind every agricultural issue.

Food production and energy production have become increasingly linked together. The challenge for all society—farmers, landowners, politicians, conservationists as well as the urban public—is to balance the need to produce food with the need to produce energy. And for this reason, the Glengarry Federation of Agriculture strongly recommends that the government reassess the proposed policy regarding green energy. We must get it right, and the needs of agriculture must be weighed. The production of food for society must not be compromised.

This proposed act limits where green energy projects may be located. For example, it states that projects should not be located in or cause adverse effects upon critical habitats of endangered or threatened species; provincially significant wetlands, valleys or woodlands; wildlife habitat; sites of cultural heritage or archaeo-

logical value—and this list goes on. It is this elimination of available property that eventually leaves only prime farmland available for major green energy projects.

The Glengarry Federation of Agriculture believes that the green movement has not utilized agriculture as fully as it should. Agriculture should be front and centre in the green energy movement. We firmly believe that agriculture has the ability to produce both energy and food, without either suffering. Even small farms can be used to supply energy to themselves and to neighbours. However, we do not want to see the indiscriminate use of farmland for energy production. We must allocate where we put it. Prime farmland needs to be preserved if we are to be able to produce food as well.

We believe that financial constraints are the biggest obstacle facing farmers in the development of agricultural green energy. We are strong advocates of placing solar panels on buildings, especially large barns, and utilizing manure pits for energy production as well. We believe that the government is not looking at green energy production as comprehensively as it should. The government, in its desire to appear proactive and environmentally righteous, has chosen to balance green energy against other legislation such as the Endangered Species Act and the Clean Water Act. It does not have to be either/or. If green energy such as solar farms can be put on prime farmland without any adverse effect to that land, then there is no reason why it would have any effect on so-called sensitive lands. To the contrary, locating solar farms along wildlife corridors may actually encourage farmers to establish these corridors. Abandoned rail lines that have been turned into hiking trails could also be utilized for solar production, since they are quite often close to hydro grids. These are but a few alternatives to prime farmland that should be considered when planning green energy sites.

The Glengarry Federation of Agriculture requests that the government consider marginal farmland as a preferred option for green energy sites rather than prime farmland. These marginal lands are often pasture now, and solar energy would complement this application.

The present focus of green energy and environmental issues needs to be balanced with the conversation on food sovereignty. There needs to be a frank, open discussion held with all Ontarians to develop a long-term, comprehensive food policy that ensures a safe, secure food supply as well as optimized energy production. A country that cannot feed itself is destined to lose its sovereignty.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Yakabuski?

Ms. Wendy Beswick: I'm sorry; I didn't introduce myself. I am Wendy Beswick.

Mr. John Yakabuski: Thank you very much, Wendy, for joining us this morning. We had a great presentation yesterday from your vice-president Don McCabe, as well, down in London.

I think what irks me sometimes is the presumption of support that this government has. This minister walks

around singing and the Minister of Agriculture walks around praising the support that the OFA has given the Ontario government on this Green Energy Act as being some kind of unreserved, unconditional support for the act. We're finding out that it is anything but.

We appreciate you coming forward and expressing the concerns with regard to what they're doing, what could happen to class 1 farmland in this province, of which we have over 50% of the Canadian total. We really appreciate that this is being brought to the forefront, because if you listen to the Minister of Energy and the Minister of Agriculture, they just think it's the best thing since the wheel was invented.

We understand that there are some opportunities for farmers here with respect to biogas and biomass, and we support those because those are dispatchable forms of energy, but it is really good to hear that there are issues here. This government only wants to tell one side of the story, and that's what these committee hearings are all about. We appreciate you coming.

Ms. Wendy Beswick: May I make just one comment? Farmers will produce food, and when policies are created, quite often what will happen is that people will react to these policies. If prime farmland is being used for energy production, what will happen is that marginal farmland will be turned into farmland—not prime. These marginal lands are quite often very stony or wet and they're being utilized for pasture. That really helps the wildlife. So if prime farmland is being used, then marginal farmland will be turned into farmland. So actually, it's counter-productive.

The Chair (Mr. David Oraziotti): Thank you for your question. Mr. Tabuns?

Mr. Peter Tabuns: Wendy, thanks for writing this and thanks for coming to speak to us today. When I was listening to you and taking a look at this, your primary concern, if I understand it, is the installation of solar panels on farmland rather than wind turbines or biogas. Do I understand you correctly?

Ms. Wendy Beswick: Yes. But any time prime farmland is taken out of production it is a major concern, whether or not it's—with solar panels it's more difficult to utilize prime farmland, but with wind, you could still farm around it. But we're stating that any time prime farmland is taken out of production, that's an issue with us.

Mr. Peter Tabuns: And as I understand it, the proposed tariffs for solar power pay much more for panels that are mounted on roofs rather than mounted on land. Do you think that the price differentiation is adequate?

Ms. Wendy Beswick: I don't know that much about the price differentiation.

Mr. Peter Tabuns: Fair enough. Thank you. I appreciate your comments.

The Chair (Mr. David Oraziotti): Mrs. Mitchell?

Mrs. Carol Mitchell: Thank you, Wendy, for making your presentation today. I just wanted to add that we heard from a number of farmers yesterday and specifically we heard from Don, who is a vice-president of the

OFA. They are supportive of the Green Energy Act. They have some concerns but they also see opportunity.

I know that when you get into food-for-energy production or food that we consume, it's a balance that one must always take into consideration.

We also heard from a number of farmers who see the viability of their farms being enhanced through anaerobic digesters. You haven't made too many comments about that. I hear your concerns on solar roof mount versus land application, but would you like to speak to what your thoughts are on anaerobic digesters?

Ms. Wendy Beswick: I think there's great potential for anaerobic digesters, especially in the dairy industry. There are a lot of farmers out there, especially in the beef industry, who don't use liquid manure. All the manure would be solid manure and it's not digested. It's composted and put back on the field.

1040

These applications are good, but I don't think that it'll give everybody the benefit. It'll help certain farmers, and I believe that with green energy, if you can utilize more than one application rather than concentrating and putting all the eggs in one basket—you can't concentrate on just the digesters.

Wind power would probably be a lot better for beef producers and things like that, and solar energy would be good for beef producers because they tend to have more marginal lands. Agriculture tends to balance itself out. Prime farmland is used to grow crops and intensive agriculture, whereas the marginal lands are used for low-pressure types such as beef—and cheap.

Mrs. Carol Mitchell: Thank you.

The Chair (Mr. David Orazietti): That's our time. Thank you. We appreciate your presentation.

CANADIAN WIND ENERGY ASSOCIATION

The Chair (Mr. David Orazietti): The next presentation is the Canadian Wind Energy Association. Good morning and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members. Please state your name for the purposes of our recording Hansard, and you can start your presentation when you like.

Mr. Robert Hornung: Thank you, Mr. Chair and committee members. My name is Robert Hornung. I'm president of the Canadian Wind Energy Association.

Mr. Sean Whittaker: I'm Sean Whittaker, vice-president of policy for the Canadian Wind Energy Association.

Mr. Robert Hornung: I'll begin our remarks, first, by saying thank you for allowing this opportunity to provide input into your deliberations on an important piece of legislation, Bill 150, the Green Energy and Green Economy Act.

Our association, CanWEA, is a national, non-profit association committed to promoting the responsible development of wind energy in Canada. We represent

more than 400 corporate members across the wind energy industry, including wind turbine and component manufacturers, wind energy project developers, operators and owners, as well as a broad range of service providers to the industry.

We applauded the introduction of Bill 150 into the Legislature as it signalled a clear desire for wind energy and other renewable energy technologies to play a key role in meeting the province's economic and environmental objectives going forward.

Indeed, we believe that wind energy represents a major industrial development and economic stimulus opportunity for Ontario. Between now and 2020, it is estimated that \$1 trillion will be invested in new wind energy facilities globally and more than one and three quarter million jobs will be created in this rapidly growing industry worldwide.

The Green Energy and Green Economy Act positions Ontario to capture a growing share of the economic, environmental and social benefits associated with this rapidly expanding global market. In fact, Bill 150 is critical to ensuring that Ontario can successfully compete for investment in wind energy project development and manufacturing facilities in the face of the proactive steps being taken in the United States and other countries to stimulate wind energy investment as a response to the global economic downturn. Without the implementation of this legislation, Ontario will face much greater challenges in capturing its wind energy opportunity.

As you well know, much work remains to be done to flesh out the detailed implementation of Bill 150, and CanWEA and its members have been actively involved in working with the government and its agencies to work on details in key areas, such as pricing, transmission build-out and streamlining of the permitting and approval process.

We acknowledge and welcome the active participation of a broad range of stakeholders in these processes and look forward to working with them to ensure that the implementation of Bill 150 reduces policy uncertainty and provides a stable investment climate that will allow wind energy development to proceed in a responsible way that benefits and meets the needs of the citizens of Ontario.

We'd like to address our comments today on two issues: first, on the permitting and approval process; second, on concerns expressed with wind development.

I'll start with the first issue, which was the subject of a joint submission made by ourselves along with the Ontario Waterpower Association and the Association of Power Producers of Ontario, and we've provided copies of this submission for your review.

We're pleased to see that Bill 150 seeks to improve the efficiency of the permitting and approval process without compromising its effectiveness. There's no doubt that community engagement and consultation must play an important role in wind energy development, and all stakeholders must continue to have an opportunity to ask questions and raise concerns about such development. To

ensure that Bill 150 succeeds in meeting the objectives of improving efficiency without decreasing effectiveness, however, our submission made the following three major recommendations.

(1) Bill 150 should maintain Ontario's current prudent approach to environmental hearings. We're concerned that the proposed amendments to the Environmental Protection Act will decrease the efficiency of the environmental hearing process without improving its effectiveness. Specifically, the proposed elimination of any threshold process to screen out potential appeals raises the possibility that appeals will proceed that do not merit the time and expense of a full hearing. Under the current approach, a party must first demonstrate the basic merits of its case through a leave-to-appeal application before it will be granted a hearing. We believe this is a sensible approach. Bill 150, however, provides a third party appeal as a right and, in doing so, eliminates the obvious benefit of a screening-level review of the merits of each proposed appeal, which raises the possibility that frivolous and vexatious claims will be heard at great expense.

(2) Bill 150 should incorporate all relevant provincial approvals into the renewable energy approval model. While it's apparent in the proposed legislation that the approvals required for a renewable energy project under the authority of the Ministry of the Environment are to be integrated, the same cannot be said for those under the legislative authority of the Ministry of Natural Resources. We believe this must be addressed to provide a truly streamlined approvals process.

(3) Empower the office of the renewable energy facilitator. While we welcome the establishment of this position and this office, it's currently unclear how the office will hold to account the achievement of the province's renewable energy objectives as presumed in the act. We strongly recommend that this office be given specifically the ultimate responsibility for reporting on progress against these objectives.

I'd now like to ask my colleague Sean Whittaker to speak briefly to some of the concerns associated with wind energy development that have been raised during both legislative debates and committee hearings on Bill 150.

Mr. Sean Whittaker: Thank you very much, Robert. I'd like to start by saying that CanWEA and its members take concerns about wind very seriously. We understand that it's natural for people to ask questions about a technology that is relatively new to the social and political landscape. The wind industry welcomes an open discussion, and we encourage the public to really get the facts on wind. As an association, it's our responsibility to provide answers to any questions raised and to do what we can to ensure that the discussion takes place on the basis of factual, independent, peer-reviewed knowledge because in the absence of facts, misconceptions can grow easily.

During these hearings and recently in the media, we've heard a number of concerns that are worth addressing here, and I'd like to focus on three in par-

ticular: (1) wind turbine sound and human health, (2) the reliability of wind-generated electricity and (3) safety issues. We have left copies of a slide deck that deals with these and other commonly raised concerns in more detail.

First, with respect to audible sound, some contend that wind turbines emit sounds that make it impossible to live anywhere near them. While it is true that wind turbines do produce sound, current regulations in Ontario ensure that sound levels at neighbouring residences are kept to acceptable levels. These regulations were developed on a solid scientific basis and were, in fact, recently modified to reflect new knowledge on sound propagation and perception. They are among the strictest in the world, and we believe they will continue to ensure that wind turbines are good neighbours in their communities. Across North America, there are over 10,000 turbines and tens of thousands of individuals who live near them. Complaints are few and far between, particularly when compared to complaints from other sound sources in the built environment. In the United Kingdom, an extensive review by university researchers of complaints from wind farms indicated that "in terms of the number of people affected, wind farm noise is a small-scale problem compared with other types of noise; for example the number of complaints about industrial noise exceeds those about wind farms by around three orders of magnitude." That was after a review of 133 wind farms.

There have been some claims made recently that wind turbines can have a negative impact on human health. To be clear, we are unaware of any peer-reviewed evidence that supports this claim. Our submission provides references to peer-reviewed studies in this area. If others claim that this evidence exists, I would encourage the committee to insist that they produce it.

This is not to say that the subject has not been studied; it has, to a considerable extent in Canada and internationally, by people who specialize in acoustics and human health impacts of sound and infrasound. All peer-reviewed studies have come to the conclusion that there is no evidence that turbines can have an adverse impact on human health. As an indication, an extensive review of the issue by Chatham-Kent's acting medical officer of health, Dr. David Colby, concluded that "opposition to wind farms on the basis of potential adverse health consequences is not justified by the evidence," a view supported by Dr. Allen Heimann, the medical officer of health for the county of Windsor-Essex.

1050

Reliability: Some have claimed that having wind on the system will either make the electricity grid unreliable or require 100% backup power from fossil fuel generators, thereby negating any benefits. This is categorically false, and one only needs to look to jurisdictions with wind integration experience for the proof. Indeed, a 2006 report for Ontario's Independent Electricity System Operator showed that 5,000 megawatts of wind on the system would require only a 4% increase in regulation reserve and a 17% increase in load-following requirements. Results from integration studies across the globe have come to similar conclusions, even at higher wind

penetration rates. In fact, the general consensus among utilities and system operators is that most systems can accommodate up to 20% wind without significant operational impacts and without compromising system reliability. We refer you in this regard to the work of the Utility Wind Integration Group, an independent group of utility and electrical engineering professionals based in the United States.

Lastly, there are some who claim that wind turbines present a hazard to the general public, either from turbine failure—tower collapse or blade loss—or from ice-shedding. Again, evidence indicates otherwise. Modern turbines are built to international standards that greatly reduce the risk of failure. Although it is true that some accidents have occurred, the vast majority have occurred with older turbines, where proper maintenance procedures were not followed. Failures are few and far between. With respect to ice-shedding, when ice builds up on a blade, the efficiency of the blade drops considerably. The turbine's control system detects this and shuts down the turbine until the ice melts or drops to the base of the turbine.

The Acting Chair (Mrs. Carol Mitchell): I just want to remind you, if you want to wrap up, you have about 30 seconds left.

Mr. Sean Whittaker: Understood.

Risk analysis by CanWEA indicates that a distance of blade length plus 10 metres is sufficient to ensure public safety.

With these facts in mind, I think it is not surprising that wind continues to enjoy strong popular support. Our polling has indicated that 87% of Canadians favour increased development of wind by governments. We find that acceptance of wind gets higher the closer you are to a wind farm, and that's because these communities often see them as not only a source of pride, but a symbol of job creation and economic development.

In conclusion, we again applaud the government for introducing a bold, forward-thinking initiative that sends a clear signal that wind and other renewable energies will play a key role in meeting the province's environmental and economic objectives going forward.

Thank you very much for this opportunity. We'd be happy to answer any questions you have.

The Acting Chair (Mrs. Carol Mitchell): Thank you. We'll start the round of questions with the NDP. Peter.

Mr. Peter Tabuns: Gentlemen, thank you very much for your presentation.

One of the points that you raised in this letter that you sent was the whole question of length of land leases. Was that properly addressed in the act? You've asked that land leases be at least 50 years, rather than 40 years. Has that been addressed, and can you tell me what impact it will have if it's not addressed?

Mr. Sean Whittaker: It's a matter of certainty. What often happens with wind power development is something called repowering, which is what we're seeing in Europe. A turbine will be sited on a particular area of land, and then, even before the turbine's lifespan is up—

20 to 25 years—they'll often choose to repower that site with a turbine that has greater capacity, and that often will move them out past the 25-year horizon. So there's a feeling that the longer period provides greater certainty and allows that site to be developed over a longer period of time.

The Acting Chair (Mrs. Carol Mitchell): Thank you. Ms. Broten.

Ms. Laurel C. Broten: Thanks for your presentation.

I want to read to you a portion of the submissions advanced to us yesterday by the Ontario Federation of Agriculture, with respect to stray voltage. They say, "Wind farms have contributed to stray voltage. The causes of this appear to be having power collection wires for a wind farm too close to distribution power lines serving a house or farm.... The noise complaints that some people have near wind towers illustrate symptoms similar to stray voltage. It is probable that in addition to testing for noise levels, the homes should be tested for stray voltage."

I wonder if I can give you an opportunity to speak to the issue of the management of stray voltage and whether you share the views advanced by the OFA.

Mr. Sean Whittaker: My understanding is that the Ontario Energy Board has launched a process to look at the issue of stray voltage. To be clear, wind turbines connected onto a distribution or transmission network have to comply to very strict interconnection requirements. They have to behave, electrically, in a very strict fashion. There is a possibility that in certain cases, if a turbine, meeting its standards, is on a weak feeder line, somewhere on the line there may be issues with respect to—it's not stray voltage; it's more of just that it may expose an existing condition, a difficulty with the grounding condition. But the same thing can happen if you put a high load on that feeder line, like an elevator. Operation of that elevator or of another strong load may expose, somewhere else on that feeder line, a pre-existing condition.

As we say, the OEB is looking into it, but it's important to emphasize that the turbines, when they connect, are required to adhere to a very strict code. They themselves are not the source of stray voltage, but they and other demands and contributors to the system may expose an existing weakness.

The Acting Chair (Mrs. Carol Mitchell): Thank you. On to the Conservatives.

Mr. John Yakabuski: Thank you very much. I think it would be accepted by everybody that everybody in all walks of life and of all political persuasions wants to see us become less intrusive on the environment. I think it's also fair to say that people who are in the wind development business are not there because they somehow want to save the world more than somebody else; they're in the business to make money. When you make a submission here today, I think you have to be willing to defend them as well. When you say that people who have come before this committee—that their work is not peer-reviewed, you've got more than one, and in some cases several, doctors looking at the same statistics and coming

up to the same conclusions, most people would consider that to be peer-reviewed.

I have a couple of questions, and you can respond to that as well. You talk about setbacks in your submission. When the OFA was here yesterday—we were in London yesterday—they had serious concerns about setbacks. For one particular submitter who lives near the Shelburne-Amaranth development, one particular turbine that was over 700 metres away from their house has been shut down, and they're still having—so the developers, Canadian Hydro, must have felt something was wrong or they wouldn't have shut the turbine down. There are issues out there.

Would you, as an industry—and I'm not a scientist; I don't pretend to have the answers. What we're hearing for, at the request, is an epidemiological study by an independent third party, not by the wind industry—and not that there's a serious problem, but would you agree to that as an industry so you can deal with this issue once and for all? Would you agree to that? Would you feel that that is something we could all gain from?

Mr. Robert Hornung: Thank you for the question. I have one quick comment, just to begin with. In terms of peer-reviewed science, that reflects a very specific procedure in terms of review and documentation before publication of documents which, as we've seen in other areas, for example, in the area of climate change, has been critical to developing a scientific consensus around how to move forward on that issue.

As noted in our presentation, peer-reviewed literature does not find evidence of an impact from wind turbines on human health. It's important to note that studies are ongoing. There are studies going on all over the world that are looking at this issue. There are global conferences held to look at this issue. We think that these studies will continue to confirm the consensus to this point in time in the peer-reviewed literature.

Nonetheless, if there is a study that is to go ahead and would proceed, it's our view that such a study should not in any way serve as something that would slow the implementation of Bill 150. The reason we say that is because—

The Acting Chair (Mrs. Carol Mitchell): Okay.

Mr. Robert Hornung: Okay, I'll be very quick. The reason we say that is because, at the end of the day, you have a strong scientific consensus. We have a need to build new generation in this province. Just as we've found in the climate change in debate, although there are some differences of views, where this is a strong consensus opinion, that has been enough to drive activity, and activity is required.

The Acting Chair (Mrs. Carol Mitchell): Thank you for your presentation.

Mr. Robert Hornung: Thank you very much.

1100

SAVE OUR SKYLINE

The Acting Chair (Mrs. Carol Mitchell): Save Our Skyline is the next presenter.

If you would like to come forward, please. There are 10 minutes for your presentation and five minutes for questions that will be shared amongst the three parties here today. If you could please state your name for the record, sir.

Mr. Lou Eyamie: Lou Eyamie.

The Acting Chair (Mrs. Carol Mitchell): Thank you. If you would like to begin.

Mr. Lou Eyamie: Madam Chair, members of the committee, ladies and gentlemen, my name is Lou Eyamie and I'm here today speaking on behalf of SOS, Save Our Skyline, and on behalf of my wife and myself. SOS is a local organization. Our members represent a group of people who are concerned, as we are, about industrial wind turbines. As a member of SOS, I can assure you that I and my neighbours are not speaking out to save a view but rather to ensure that the industrial wind turbines proposed in our area do not harm the environment, do not increase risk to threatened species and pose no risk or health threat to the people and animals that live near proposed sites.

How do we make our voice heard and bring you to understand the fears and concerns we have? I feel like a very small voice in the shadow of large organizations and businesses that have aligned themselves with this government and have become your advisers and key resources.

When word came that SkyPower was proposing building a wind farm down the road from our home, we were interested. This was our chance to learn something about that which had always intrigued us. So we went to their open house. We came out very disillusioned. Many of our questions went unanswered. We started doing our own research. What we found made us angry and afraid. SkyPower obviously was not telling the whole truth. Since then, we've been working hard with our local elected officials, neighbours and businesses to learn as much as we could and to inform our communities about the risks of industrial wind turbines.

Through numerous public meetings, we have encouraged our neighbours, the citizens of Renfrew county, to make sure that their concerns are known to their councils. Our primary objective is to ensure that the siting of these proposed towers would not negatively impact our health, environment, economy, rich cultural heritage and history, and our property values.

Our independent research has told us that turbines do not produce when demand is highest and operate at only 30% efficiency at best. Current recommended setbacks from dwellings are one and a half kilometres to two kilometres. Health impacts are real and the symptoms people are experiencing are consistent worldwide. Environmental impact studies to date are inadequate and biased. There have been 17 requests for more thorough EAs, and 17 have been denied. If this government is so adamant that industrial wind power is safe, why have they not granted one EA? Why are you so reluctant to assure your voting public that there is no risk or impact to the environment?

Now we're dealing with the Green Energy Act. This act is being pushed through without allowing full public

consultation. This is legislation that takes away basic democratic rights of citizens to participate in decision-making and removes the fair and democratic process for concerns and complaint resolution. Just because your act says it's green, just because the wind turbine companies say it's green, does not mean it is. You should not abandon all principles of protecting environmentally sensitive areas and you should ensure that this technology does not harm the people you're entrusted to protect.

Our concerns about this act and this process relates to such areas as: the majority of people and industries with time slots to speak at these meetings appear to be pro-wind. Private citizens such as Barbara Ashbee-Lormand, who continues to struggle with health issues as a direct result of the industrial wind turbine installations next to her home, have been denied presentation time. Other individuals have been told they would need to travel to Sault Ste. Marie. For some, this is a seven-hour drive one way to speak to you for 10 minutes. This effectively silences many who oppose aspects of the Green Energy Act.

The removal of perceived barriers as proposed in this act actually removes and eliminates the rights of the voting public to have a say through their municipal councils as to the development and planning within their own communities. Even as your government has accused us of NIMBYism, the Green Energy Act reflects a direct conflict of interest. The alliances and partisanship that exist between organizations that are connected to this government and to the wind companies are clearly self-serving affiliations. These include CanWEA, OSEA and others.

CanWEA is a lobby group whose website states that they are the voice of wind energy. Like any other business, the wind industry is enthusiastic about government subsidies and quick profits, and their literature makes no mention of the inefficiencies and true costs of industrial wind, not to mention the negative health impacts being experienced right here in Ontario. CanWEA's literature and research are clearly biased, and yet they are acting as advisors to this government.

Hermann Scheer is revered and respected by Energy Minister George Smitherman, but Mr. Scheer does not address the issues of setbacks, environment and health in his speeches. He has not publicly stated that not in Germany or anywhere else in the world has one coal- or gas-fired plant been closed with the addition of the industrial wind turbines. In fact, Germany is building more coal plants in order to provide constant backup for wind power.

At a recent meeting in Cobden hosted by the Ottawa River Institute, a German engineer spoke and was shocked to learn that Ontario is not incorporating the current research, standards and regulations into the Green Energy Act or adopting the regulations that are being used at credible German wind turbine sites.

Denmark is another example for us to learn from. The Danish federation of industries says, "Windmills are a mistake and economically make no sense." The Chair of

energy policy in the Danish Parliament calls it "a terribly expensive disaster." Perhaps Mr. Smitherman should ask this gentleman rather than relying solely on the information so readily and enthusiastically provided by Scheer, CanWEA and OSEA.

The lobbying by these industry-based organizations has clearly been effective. CanWEA is a voting member of OSEA, which has received funding from the Ontario Trillium Foundation. Public money has been used to fund this industry, an industry that chooses to ignore the importance of protecting public health and the environment. OSEA was one of the founders of the Green Energy Act Alliance, who came up with the draft law and lobbied the government to implement it. The bias and conflict of interest that exist in this business alliance with our elected government is astounding to us as citizens in this province.

Media reported that McGuinty promised months of consultation. Instead, the public has been given an inadequate amount of time to voice their opinions and speak directly. More shocking still, the people who have already experienced the negative impacts of industrial wind turbines are being denied their democratic right to speak. In fact, I believe that I was fortunate to get here today at all.

In conclusion, on behalf of the citizens who are members of SOS and people of Renfrew county, we respectfully place these requests:

Full environmental assessments of all industrial wind projects, regardless of size, are to be implemented. To my knowledge, waiving the requirement for a full EA or instituting a one-size-fits-all assessment is unprecedented for any other industrial development proposal. Why allow it for industrial wind?

The Green Energy Act must be amended to allow for fair and democratic legislation without removing municipal planning rights.

The Green Energy Act must allow municipalities to engage the province in meaningful and constructive dialogue regarding how they can best contribute to alternative and renewable energy solutions that will benefit the province as a whole. South Algonquin is actually exploring biomass potential as opposed to industrial wind. My local municipality could explore the feasibility of reopening an existing hydro dam or converting struggling sawmills to wood pellet and biomass facilities. Individual municipalities know their communities, their industries and their economies. They have their right and obligation as elected officials to work with their citizens to ensure that renewable energy initiatives benefit all involved. A true democratic government would honour and respect that right, working in partnership with local government.

We are aware that clean and renewable energy is vital to the health and well-being of our planet, but our rush to produce what industry deems as green energy should not come at a cost to the health and well-being of the people who live next to or near these installations. It should not come at a cost to our environment and our communities.

It must not undermine the democratic rights of the citizens of this province, and there must be a fair and democratic process to resolve complaints and concerns and for citizens to voice their opinions. The Green Energy Act must be amended to reflect a fair and democratic process. The onus of proof, as written in the act, lies squarely with the victim, and this is unacceptable.

Finally, policy and procedure that allows that citizens who have been or will be affected by developments to escalate their concern to an objective and fair tribunal.

Ladies and gentlemen, today I'm leaving you with a petition that reflects the concerns of approximately 400 citizens. The Chair has a copy. As well, I've attached copies of letters from our local municipalities in Mada-waska Valley, Killaloe, Hagarty and Richards. These letters outline their position and shared concerns regarding the Green Energy Act.

It is our hope that you will work as our elected representatives and that this act will not just serve the interest of industrial wind companies but will be a green act that plans for today and protects for the future.

Thank you kindly for your time.

1110

The Acting Chair (Mrs. Carol Mitchell): Thank you, Lou, for your presentation. We'll begin the round of questions with Laurel.

Ms. Laurel C. Broten: Thank you for your presentation. I know that in your presentation you had an opportunity to speak to the work that South Algonquin is doing with respect to biomass and the examination of other sawmills to wood pellet. I'm wondering whether or not you believe that the Green Energy Act does provide some opportunities for communities that might want to look at biogas, biomass, whether on a farm or a community co-operative, or to provide some greater opportunity for that type of electricity production.

Mr. Lou Eyamie: I believe there are provisions in there for that type of production. SOS's biggest concern is the siting of wind turbines. Because of the topography in our area, turbines are not a suitable alternative. We live in a forested area, a tourist area, and we have lots of other ways of producing electricity without putting up turbines. I don't know of any community or council that won't look at something else—biomass, wood pellets, hydro. There are lots of opportunities. Don't force these turbines on us.

Ms. Laurel C. Broten: Thank you.

The Acting Chair (Mrs. Carol Mitchell): John?

Mr. John Yakabuski: Thank you very much, Lou, for joining us this morning. I appreciate your presentation. We did get the opportunity to hear from Barbara Ashbee-Lormand yesterday, and her testimony was emotional and difficult to ignore.

A couple of questions: You talked about the granting structure. Would it be fair to say that if an agency of any kind is giving another group of people grants and using that group of people as advisers, that (a) either the advice would be tilted in favour of the way that the granting agency wanted, or (b) the agency would be tilted in

trying to ensure that they pleased the group that they were granting money to? That's one of the questions.

The other thing is, do you feel that we could lose some real, local autonomy in this bill with the fact that nobody knows your municipality, your county, your area better than the people who live there, like yourself, and the decisions are being made in Toronto?

Mr. Lou Eyamie: First question: I honestly believe that if some company was giving me money so that I could be successful, I would do whatever I could do to please that company, whether it'd be to produce reports that favoured what they were pushing, or just as long as I kept getting my grant and got a paycheque and could go home every week, I would gladly do whatever they asked.

Second, Mr. Yakabuski asked about autonomy in our area. If this act goes forward the way that I have read it, I believe that the municipalities are not going to have any say in anything for any kind of development, whether it be green energy, building roads, building anything. The government is going to have the outright right to come in and say, "No. This is what I want. This is what you're going to do," and we'll have no say at all. There'll be no point in having municipalities. There'll be no point in having councils.

The Acting Chair (Mrs. Carol Mitchell): Thanks, Lou. Peter?

Mr. Peter Tabuns: Lou, thanks very much for the presentation and for taking the time to come before us today. You make an argument that organizations that are funded by the government are promoting a particular position. I think the logic would be that they shouldn't be government-funded. Would you hold that to be the case with the nuclear industry as well and Atomic Energy of Canada Ltd.?

Mr. Lou Eyamie: Mr. Tabuns, I know nothing about nuclear energy. I do not know how they're funded. I don't know how they work. I don't understand their structure. I only know that I live in a valley that I was hoping to retire into. I've spent the last 10 years rebuilding a 150-year-old log home that they're going to put a turbine beside, and this upsets me. That's why I'm doing what I'm doing.

Mr. Peter Tabuns: Fair enough. Thank you.

The Acting Chair (Mrs. Carol Mitchell): Thank you for your presentation.

CARMEN KROGH

The Acting Chair (Mrs. Carol Mitchell): Carmen, if you would please come forward? If you could please state your name for the record and then begin your presentation.

Ms. Carmen Krogh: I'm Carmen Krogh. I'm an independent. I'm a retired pharmacist, and to give you a little bit of background on myself, for 15 years I was editor-in-chief and director of publications for a large health professional publishing house. I know all about peer review, so I'll tell you a little bit about that.

The Acting Chair (Mrs. Carol Mitchell): You have 10 minutes to do that.

Ms. Carmen Krogh: I do.

I want to give a case in point. We don't know a lot about technology when we implement it quickly. All of you recognize a compact fluorescent light bulb. Health Canada, in January, announced it was investigating these for adverse health effects. My point here is that we're implementing very large renewable energy structures, wind turbine complexes, without knowing very much about them and understanding them, and we're lacking a vigilance program. I can explain to you a little bit about Canada Vigilance, which is a program of how they monitor drugs in the Canadian market. It goes into this book, and sometimes the content of this book will change up to 50%. So we need some type of post-marketing vigilance.

I should tell you as well that I'm a victim of a wind turbine complex and I experienced some pretty serious health effects. I don't live with the turbines, but I was travelling and did get exposed. I'm in contact with a lot of victims in Ontario. I know Barbara Ashbee-Lormand very well, and I know what they're going through. I know Sandra, who was here yesterday, and I know what they're going through and have a lot of concern about their adverse health effects.

I partnered with a couple of other people and we've conducted what we call a community-based health survey. These are in the communities where turbines are, and we surveyed people who are affected and those who are not. Dr. Bob McMurtry, former dean of medicine at the University of Western Ontario, will be presenting the results of the survey to you next week in Toronto on the 22nd.

I will give you a snapshot: a really big hit on sleep deprivation. This is a very serious concern. Amnesty International confirmed with me that it's a tool of torture, and we should be taking that into account.

Another problem that has been popping up are cardiac effects, and some of them are pretty serious. You may have heard about those yesterday.

I don't know what the provincial opinion is; I've asked where they stand on adverse health effects and turbines, and I've received no answer. We know what CanWEA's position is on that, and I would expect that because they're in business. Their survival depends economically on their position, because who would buy into a product that could make you sick? Our MOE guidelines here in Ontario aren't working, obviously, because we have people who are sick.

The setbacks are too close; they're putting them very close to people. Recent medical research is showing that setbacks may be two to three kilometres, as a requirement, but we don't know that conclusively yet. Some people think that might not be far enough, based on the research.

I have a comment on section 142, subsections (1), (2) and (3), of the Green Energy Act. There's a provision in there that you can't make an appeal to an approval of a

turbine complex unless you can prove that it will have serious medical effects on you and that it is not irreversible. To me, that reads like you'd have to either have a stroke and be paralyzed or possibly die, because that's the only way you could prove that it wasn't irreversible. I think that clause should be revised somewhat to reflect a more caring and less callous statement.

A few comments on peer review: I've been a peer reviewer and I've also managed peer review. It's been blown a little bit twisted. Peer review is just that you distribute a manuscript—it could be the chapter of a book—to people who have similar expertise, and what you do is ask them for comments and whether it's worthy of publication. We do not have peer review studies that show turbines are safe. We do have peer review from Dr. Pierpont in the United States, who has studied 10 families. She's had very eminent people reviewing that book and it's coming out shortly, so we do have that. We have a lot of peer review on noise affecting health, and that is a fact. I've provided a CD for you for that.

1120

What is of concern and needs to be paid attention to is that in the medical community, we start researching and looking at people who are affected by adverse health conditions. We've got information from doctors in the UK, the United States—two of them, in fact—and also, our own health survey, which is a valid health survey. It's been set up with proper protocols. Those are sounding what I call a warning bell, and that bell is ringing quite loudly right now.

How much time have I got? I don't have a watch. Two minutes?

The Acting Chair (Mrs. Carol Mitchell): No, you have four minutes left.

Ms. Carmen Krogh: Oh, wow, that's pretty good. I'm doing pretty good.

The Acting Chair (Mrs. Carol Mitchell): Well, five. I'll give you a 30-second warning when you're at the very end.

Ms. Carmen Krogh: Okay. Thank you very much. I don't wear watches.

I guess my final points are that we need to really consider the next steps from the health perspective. As I mentioned, I'm for health here, and having had some of these adverse effects, I know how terrible and debilitating they are. I'm certainly never going to go near a turbine again if I can avoid it. I think we should give some hard consideration to stopping any more building of these complexes until we've conducted proper studies. You've heard a little bit about epidemiology. These are public health studies that identify the risks to public health and tell the doctors what to do about them, and these studies would then determine the proper setbacks for our population.

The next thing I'd like to suggest is that, as a compassionate society, we decommission the turbines where the serious problems are showing up. You will hear next week from Dr. McMurtry about the scope and the scale of these issues. I know you heard from several groups

yesterday. When I'm in touch with these victims, it's very emotional and very draining and sad. I have a lot of unanswered questions about young children, infants and women who are pregnant, because we don't know the long-term effects of some of the health effects that are being experienced by people, and these need to be studied and surveillance for many years needs to be undertaken. I would recommend that we decommission those and look at compensation for the victims who have experienced these problems.

I thank you very much for this opportunity to make the presentation.

The Chair (Mr. David Oraziotti): Are you finished? Do you have anything else to add?

Ms. Carmen Krogh: If I could add two things. The two references that were referred to by CanWEA—the first one was a research piece that did not measure health effects or anything else except what they call “aerodynamic modulation.” So I don't think it really fits in the context of the concerns around health. The second study had to do with Dr. Colby, chief medical officer of health. It's uncertain who wrote that paper. It's a literature search. It's incomplete because it didn't bring in any health people or any health areas at all. There's a recognition in the front of the study thanking Dr. Colby for his assistance with that particular article. I don't know who wrote it, but it's often attributed to him.

I have evaluated all the articles on the CanWEA site and they really do not conclude that scientists feel there are no adverse health effects. In none of the articles is there anything like that. I think we have to be aware that, as I said, they're in business, and we expect them to take this stand.

I thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Yakabuski?

Mr. John Yakabuski: Thank you very much, Carmen, for joining us this morning. A couple of years ago, I had never heard of adverse health effects from windmills. That's probably not surprising. Probably a lot of other people didn't hear about it either, but we're hearing a whole lot about it these days. I don't pretend for a minute to have the qualifications to determine whether or not your concerns are valid and your presentations are accurate scientifically. I don't have those qualifications, but I certainly don't have the qualifications either to say to the wind industry, “Your research is good, it's accurate, it's complete. Everything's fine.”

From that perspective, wouldn't the prudent thing be to commission a third party review, an epidemiological study, by a mutually-agreed-to, respected, recognized, competent third party to actually do a study and a review that looked into these issues and reported back to the government before you would actually take all kinds of steps that may or may not have adverse effects on people? As I have heard so many times before—my colleague from the NDP uses the term “the precautionary principle.” Would that not be the prudent thing to do?

Ms. Carmen Krogh: Yes, and that's the first thing I'm suggesting, that we commission what we would call

a multidisciplinary study, which would put together the team—it's a health team—to look at the adverse health effects and what's occurring and to study those. The multidisciplinary team would have to consist of various engineers and other groups.

If you think about it, if you're sick, you don't go to your local acoustics engineer for a diagnosis or help. You go to your doctor. These symptoms are new. The victims have a really hard time describing what happened to them. I know I still do, and I'm a health professional. There's a wide range of things that happen to you. Victims tell me that it depends on the direction of the wind, the speed of the wind and even the atmospheric, whether it's snowing, raining or clear out. So that's why it's been very hard to get a grip on that, and we certainly do need very intensive study on this.

The Chair (Mr. David Oraziotti): Thank you. That's time for questions. Mr. Tabuns?

Mr. Peter Tabuns: Thank you, Carmen, for coming and making a presentation today. The monitoring that you talked about with pharmaceuticals: Could you tell us how that's structured?

Ms. Carmen Krogh: Yes. It's called Canada Vigilance. You can look at the website. It's run by Health Canada. It encourages anybody in Canada—a consumer or a health care professional—to make a report on any suspected adverse effect that you might have had. You don't have to prove it, it's never discounted and it's built into the international community to update product information, which is the prescribing information.

The industry itself is mandated by law to report as well. I looked at that database quite closely, and it could be set up as a Canada wind vigilance database as well. So this would allow us to start collecting data which could move us on into studies that would address those pieces of information and data.

The Chair (Mr. David Oraziotti): Thank you, Mr. Tabuns. Ms. Broten?

Ms. Laurel C. Broten: Thank you very much, Carmen. Two questions; one, have the practices that you suggest, such as Canada Vigilance, been used with respect to any other form of electricity? For example, we know there are a lot of health effects associated with coal-fired electrical plants. Has that model been used, or other models? And the second one is—I don't know if you were in the room earlier when I had a chance to ask CanWEA about the OFA submission with respect to stray voltage. I wondered whether you wanted to speak about it or if you have any thoughts with respect to the health effects being connected to electricity fields as opposed to, necessarily, the turbines.

Ms. Carmen Krogh: Yes. On your first point, I think, as a society, we're lacking in vigilance on a lot of technology implementations, just like the light bulb. It's such a small thing, eh? So I agree that we probably should embark on a very good vigilance program for many of the things that you're talking about.

On the stray voltage, there's a complexity of what's being emitted from the turbines. There are different types

of noises, that which you can hear and that which you can't hear—it's very low—and those are causing problems. Stray voltage is as well. I can tell you that I've spoken to some people who have to wear rubber boots, insulated, in the house all the time, year-round, because they're getting electricity up through their feet. Another gentleman buried a copper line around his house—it's not attached to anything. He hooked it up to a light bulb socket, twisted in the bulb and it went on; it lit. So there are some unanswered questions that we need to address.

The Chair (Mr. David Oraziotti): Thank you very much. That's the time for your presentation. We appreciate you coming in today.

Ms. Carmen Krogh: Thank you very much for your time here.

1130

UPPER OTTAWA VALLEY FOREST INDUSTRY ALLIANCE

The Chair (Mr. David Oraziotti): The next presentation is the Upper Ottawa Valley Forest Industry Alliance.

Good morning, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members of the committee. Just state your name for the purposes of our recording Hansard and you can begin.

Mr. Leo Hall: Good morning. My name is Leo Hall. I am here as a forest business owner and also to represent a larger group of 15 sawmills, harvesters and wood-processing companies from the Renfrew county area, west of here in Ottawa.

These businesses are mostly family-owned. Several have been operating continuously for three generations and some for over 100 years. They are the forest industry in Renfrew county. They are typical of an even broader group of over 400 enterprises throughout the area that form an industry that accounts for over 2,000 direct jobs and 1,200 more indirect jobs in other places in Ontario, with an output value of almost \$300 million. They account for a third of private sector commerce in Renfrew county. Over the years, they have demonstrated a solid history of progressive and sustainable use of the forest resource in the region.

Recently, our local pulp mill and wood panel plants closed. Now we have no market for low-value wood products from our forests, and this is a big problem. We have organized ourselves into a group and funded research to find a solution.

We believe the answer lies in making energy from this large, woody biomass resource. I am here today to report to you on some opportunities to convert this wood to renewable energy, and on the role that the Green Energy Act can play in making this happen.

Simply put, there are at least half a million metric tonnes of pulpwood, chips, sawdust and bark which are produced from harvest and sawmill operations and cur-

rently have no use. This is more wood than all the pellets burned in Canada last year.

Where does all this wood come from? When forests are harvested to make lumber for homes and furniture, about half the trees are not good enough to be used for these purposes. Just leaving them is not good, sustainable forestry. Over time, it amounts to not weeding your garden and is called high-grading. In addition, when two loads of sawlogs that are good enough to make lumber go to a sawmill, one load of chips, sawdust and bark is created as by-products of the sawmill process.

If the forest industry is to survive, all of this pulpwood, chips and sawdust must be made into something that can be sold, something to replace the pulp and panel wood which are no longer utilization options for us. This problem must be solved to save the forest industry, along with the jobs and tax base that go with it.

There is some opportunity here. Our group believes that the best hope for this resource is to convert it into renewable energy.

I have just returned from a fact-finding trip to Austria, Germany and Italy, where great progress has been made over the past 20 years in converting wood biomass to energy and where markets for energy made from wood are growing rapidly.

Based on this research, two approaches have been identified that look promising to us in our region. The first one is wood pellets. These pellets are probably familiar to most of you. The process enables wood to be dried and concentrated so that it can be burned cleanly and easily on a small, household scale. It can also be transported longer distances to markets at an acceptable cost.

There are now over 450 pellet mills running in western Europe. Almost all pellets produced are used there. It is an exciting, rapidly growing activity that is seen as renewable and absolutely critical to meeting the sustainable energy goals that are already set in Europe.

Secondly, modest-scale combined heat and power, or cogeneration: This process burns wood chips and residues directly to make green heat, which is used locally, and green electricity, which can be added to the grid.

These plants are not huge—usually in the one- to two-megawatt electrical output range. Critically, at this size, excess heat from the process can be utilized in small district heating grids and modest-sized industrial customers or, equally, in schools and hospitals. A network of 20 to 30 of these plants in Renfrew county would consume a large part of the wood residues described earlier and would create a close market to reduce trucking costs. This is sort of like the 100-mile diet applied to the energy market.

There are obstacles. For pellets, there is no market now that is large enough or close enough to us to use the amounts that we need to sell. Last year, Canada produced a lot more pellets than it could consume. Over three quarters had to be sent to Europe or to the US to be burned. Sadly, our inland location means that freight to Europe and the US makes the business marginal with today's prices for pellets.

The idea of using pellets in Ontario Power Generation's coal plants is a great idea, but it is not going to start until 2012, and even then it is scheduled to start in Atikokan, which is also far away from where we are in the Ottawa Valley.

Combined heat and power suffers from the fact that the heat that is produced with the power must be able to compete with other fossil sources like natural gas for it to work without some kind of financial assistance.

It costs about five cents per kilowatt hour of thermal energy to make heat from wood. My last natural gas bill at my home in Renfrew works out to about three cents per kilowatt hour. Thermal energy using this system is going to be almost twice as costly as natural gas.

In Europe, natural gas is already priced near the cost of heat from these systems and so this is not such a problem. Where it is a problem, it is handled with a green credit to the buyer of the heat.

The electricity produced also costs more than the Green Energy Act feed-in tariff will allow. In Europe, the feed-in tariffs supplied to these installations start at a low of 18 cents per kilowatt hour and top out at about 30 cents.

The Green Energy Act, as it sits now, proposes about 12 cents per kilowatt hour. Notably, the Green Energy Act works against this smaller-scale, more efficient use of biomass. It assumes a scale that is over 10 times as big as what I have described. This makes it nearly impossible to find a use for the large amount of heat given off as a by-product. It also assumes a very low cost of wood fuel, which is not realistic for the pulpwood resource that we are trying to deal with.

So, for pellet-making to proceed, we're going to need some help. Number one: probably financial assistance to get pellet plants built quickly. We have to get this problem solved, and soon. So we have to build plants based on distant markets and then seek to replace these markets with ones closer in, right here in Ontario. This approach makes the economics marginal because of high freight costs to the markets outside of Ontario initially. Therefore, we need some help to get the plants started now.

Secondly, we've got to get the Ontario market going. We need incentives for a pellet market in Ontario. It has to support the purchase of pellet-burning equipment that can create an Ontario market that will make the production of this green fuel profitable by reducing transport costs. This can work quickly. Each household burner uses an average of two tonnes of pellets per year. In Europe, capital grants, green credits and purchase incentives for stoves are all used to support the use of pellets.

For wood for heat and power to proceed, a separate treatment of smaller projects is required in the Green Energy Act. A similar incentive idea to support the purchase of green heat from these plants instead of natural gas is required, and as already described, the incentives can be in the form of green credits to make the purchaser happy to do this. This is also in place already in Europe.

A higher feed-in tariff for green electricity from these plants is needed. In Europe, it has required a minimum of

18 cents to get the activity I am describing into the mainstream. There is no reason to think that the cost here will be dramatically less than in Europe. So this is a much more reasonable place to start.

Wood biomass provides clean, carbon-neutral electricity but in controllable and predictable volumes. The location of the production can also be determined with more flexibility, and the transmission hookup cost is less at the smaller scales that I am describing.

Green electricity from wood biomass is more reliable than wind and sun energy and should therefore be priced to maximize its use if the Green Energy Act is to be a complete piece of legislation.

I want to end this talk with some description of the benefits if the Green Energy Act can be adjusted to support what I have described. First off, we save and grow a renewable, sustainable forest industry as well as a sustainable, well-managed forest. This means that over 2,000 direct jobs and 1,200 more indirect jobs are preserved. An output value of almost \$300 million and the tax revenue of \$50 million a year that goes with it will be sustained.

We also create some real action in displacing fossil carbon in ways that actually provide predictable and consistent quantities of thermal and electrical energy.

Third, we maximize the efficient use of this renewable energy as a resource by using a best-practices search from around the world.

Fourth, we create a wave of green-collar jobs in leading-edge modular green processes.

Fifth, we make actual progress on the idea of a two-way-street model of both generation and consumption of energy by distributing the systems described, as has already been done in Europe.

1140

Sixth and last, we create a region that can actually prosper as the price of fossil fuel rises.

Your decisions on these issues will likely determine if these benefits are captured and if this industry can survive both here and across Ontario. Thank you.

The Chair (Mr. David Orazietti): Thank you for your presentation. Mr. Tabuns, you're first with questions.

Mr. Peter Tabuns: In your region, what volume of wood pellet production would be sustainable?

Mr. Leo Hall: With the overhang of pulpwood that we can't sell right now, we're looking at about 300,000 metric tonnes of pellets per year. That's just the wood that we can't sell now.

There are estimates. In fact, I did one myself three years ago, where we went out and analyzed the annual growth of the forest in the eastern Ontario region, and if we considered the potential based on that measure, the amount that the forest grows every year, the number is closer to a million tonnes of pellets per year. I have a report out that I'd be quite happy to copy you on based on research we've done on forest that we own ourselves, so I'm pretty confident in the numbers.

The issue is one of cost and of markets. There's no physical problem with sustainability of the wood supply.

It's got to do with being able to make use of this wood and put enough value on it that everybody who's involved in the activity can get paid and make a living and the jobs can be sustained in our area. That's the key to it.

The Chair (Mr. David Oraziotti): That's time. Ms. Broten.

Ms. Laurel C. Broten: Thank you, Leo. You gave us a lot of things to think about. I wanted to just focus on the household burners because we did hear about that the other day. How would you see that transition occurring? Who would be the potential focus of such a transition to a household burner? What would the greenhouse gas effects be to see that transition take place within households in the province?

Mr. Leo Hall: I guess I'd like to start with the greenhouse gas issue just to get that crystal-clear. What I'm talking about is energy from wood pellets that are created from trees in the forest. When they are burned, they give off greenhouse gas in the form of CO₂. As long as we are operating a sustainable forest, most academics who have studied the issue agree that this is an essentially carbon-neutral activity. There is some fossil fuel required to go out and cut the tree down and make pellets out of it, but it's a small percentage of the benefit that's achieved by doing it. So I think that's the answer to your first question; I hope.

The other issue of how you would go about incenting people to adopt pellet stoves or pellet burners: The experience in Europe suggests that the fast way to do it is to have an incentive program that's a 20% or 30% capital grant to the person who buys the appliance. That way it can happen quickly, and it's a very simple program to administer. There are other systems that involve providing people with green credits if they purchase renewable energy versus a fossil source. It's a little bit harder to implement, perhaps, in the pellet business. I'm not an expert on it, but those are the impressions I've seen in Europe.

The Chair (Mr. David Oraziotti): Thank you very much. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Leo, and welcome to the committee. It's always good to have folks from Renfrew county, and of course Lou and Carmen were here from Renfrew county as well earlier.

It's interesting that the FIT rates that were established by the ministry—I'm sure the forest industry wasn't quite as consulted with the formation of the Green Energy Act as the wind industry must have been because they seem to be very, very happy with the FIT rate that had been established. We've had presentations from many people over the last several days with regard to the FIT rate for biomass, wondering why it was established so low. What we like—and you and I have had these chats before—about the biomass side of it is that we can support an industry that is struggling in this province. There's nobody who doesn't know the challenges facing our forestry industry, and the other side of it is that any generation produced as a result of biomass is completely dispatchable, which we have control over. So I think there are

some real advantages, plus, we are again, as I say, helping the industry. Do you know of any consultations with the forestry industry, with the Minister of Energy, in establishing this rate, or were we left out of those consultations?

Mr. Leo Hall: I wasn't personally consulted. I'm not sure why. But what I would tell you is that I did dig into this a little bit. The Ontario Power Authority held a webcast here a week or two ago concerning these feed-in tariffs, and the basis for the biomass energy rate was derived from an assumed plant of 30 megawatts. That's 15 times the scale that I'm describing. I want to just emphasize the problem with that. The amount of thermal energy that's given off as a by-product in burning wood to make 30 megawatts of electricity is vast. It is a huge amount of thermal energy, and so the only type of—

Interjection.

Mr. Leo Hall: Yes. You need either a city or a pulp mill—

The Chair (Mr. David Oraziotti): That's time. Very briefly, if you could wrap up.

Mr. Leo Hall: Quickly, then, the Green Energy Act did not consider the type of approach that's necessary in our area, and I think it's largely lack of information. So I'm here to try and provide some of that.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

FRIENDS OF THE EARTH CANADA

The Chair (Mr. David Oraziotti): Our next presenter is Friends of the Earth.

Good morning and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions among members of the committee. Just state your name for the purposes of our recording Hansard and you can begin your presentation.

Ms. Beatrice Olivastri: Thanks very much, everyone. My name is Beatrice Olivastri. I'm the CEO of Friends of the Earth Canada and I'm delighted to be here.

I have provided a short set of comments. Basically what we'd like to do is congratulate the government of Ontario for its vision. Friends of the Earth is 30 years old, having campaigned to protect people and the planet for this long in Canada and 76 other countries. We think the time is appropriate, ripe and even urgent, given our economic situation and pressing need to reduce greenhouse gases. The time is ripe to move ahead with this act forthwith.

Today what I'm going to do is endorse some input that you have already from the Ontario Green Energy Act Alliance, not to take your time in repeating their input but simply to say that we thought they had provided some very useful input and we would like to support it. Then there are three distinctive areas that I want to address on behalf of Friends of the Earth: one around leadership and certainty that's needed, one around accountability to the

citizens of Ontario, and finally the need to create this culture of both conservation and renewable energy.

On this question of leadership and certainty, as I mentioned, we're supporting the amendments to Bill 150 that the Ontario Green Energy Act Alliance has put forward. Two particular areas are of key interest for us, but overall we do support their work. One is around ensuring the ongoing priority for conservation and renewables and planning and the explicit statement they're looking for, a requirement to reinforce the government's priorities for planning, development and operation of the energy infrastructure of Ontario. The second is around designating this feed-in tariff as the primary procurement mechanism for renewables.

I want to just add a dimension to this question of procurement. In our field of environmental efforts and energy efforts, we see procurement as a very powerful market force, a signal for leadership and a way to deliver on certainty, depending on how you deal with procurement. The proposed act is calling for energy conservation and demand management and it may, by regulation, require a public agency to achieve prescribed targets and meet prescribed energy and environmental standards and so forth. I want to point out this opportunity for the province of Ontario by virtue of its huge position in realty. You are representing the Ontario government, Canada's largest real estate portfolio. What we'd like to suggest is that you mandate the Ontario Realty Corp., which manages the operations for the province. So the Ontario Realty Corp. manages your real estate portfolio and provides services related to real estate property and project management to most ministries and agencies of the government. They have in place already a sustainability plan, a very good one, that deals with development, evaluation and use of low- or zero-carbon energy sources.

1150

What they don't have is a target, so I'm recommending to you that you consider setting a specific target for them. What this will do is drive market interest in terms of providing the equipment, the technology and the services to reach that target. It's yet another way that you can provide both leadership and certainty.

I'll just point out that in the past, Ontario has dealt through GIPPER—which is a voluntary mechanism, mind you; I'm asking you to do a mandatory target—in dealing with procurement around reduction of waste, recycled products and so forth very successfully. It has brought, along with the provincial dollars, many of the cities or other kinds of quasi-governmental or governmental agencies.

By doing this, by focusing on ORC, you could add a fair amount of value to what you are in fact already trying to do with the act. We're suggesting that you set a mandatory procurement target for adoption of renewable energy technologies for the ORC holdings and operations. This is over and above what is already discussed on minimum standards, which would be LEED silver for any new facilities.

Secondly, I want to address this question of accountability. Friends of the Earth does support the province's plan to upload responsibility for creating strong and uniform standards to address various aspects of approvals for renewable energy projects. Having said that, we're concerned that we are also able to find some kind of balance or middle ground that ensures public engagement and accountability for these projects. The extension of appeal rights regarding renewable energy approvals goes some way to addressing our concern. I cite, in the little paper, the proposal for any resident in Ontario to request a hearing.

But the main ministry dealing with this act, the Ministry of Energy and Infrastructure, which will be responsible for the bulk of the Green Energy Act, is not currently a prescribed ministry under the Environmental Bill of Rights, which we hold to be a very important part of our democracy here in Ontario. This means that part II of the Environmental Bill of Rights, which sets out a minimum level of public participation that should be met before government makes decisions on certain kinds of environmentally significant projects and proposals, doesn't apply at all to the Green Energy Act aspect. Formal public comment periods that would typically be required under EBR will not apply, and there will be no requirement to post notices on the environmental registry. It's curious and inconsistent, we believe, that this ministry is still missing in action under the EBR, and so we are strongly urging you to rectify that situation. In the act, you are already adding responsibilities to the commissioner's role by asking him to do two kinds of annual reports, so again, we think this is a consistent addition, to make sure that the Ministry of Energy and Infrastructure becomes prescribed under the EBR.

Further, we're observing that a renewable energy facilitator and office will be housed within the Ministry of Energy and Infrastructure. We welcome the establishment of this office and position, but it does cause some consideration of how this office will differ from the recently terminated office of chief conservation officer and the annual reporting function that was delivered by that officer. Reflecting still on the important role of the Environmental Bill of Rights, the commissioner delivering that and the independence they bring to accountability in the province, we want to recommend that under the act you call for the Environmental Commissioner to do a third—so, one additional—annual report, and that would be to assess the role and performance of the renewable energy facilitator and his or her office. That totals three reports for the commissioner.

Finally, on creating a conservation and renewable energy culture, Friends of the Earth deals with both people and the planet, so in this, we want to talk about protecting vulnerable citizens not only by addressing the matter of energy affordability—you have any number of briefs already doing that, and it's critical; what we want to do is make sure that citizens at any age and in any position in life are exposed to renewable energy technologies and visible conservation efforts, which would

include both devices and behaviour, in their public spaces. I'm asking you to think about grade schools, about places of worship and about legion halls.

What we're recommending is that the province address energy affordability for Ontario's vulnerable citizens—low-income and fixed-income—again, adopting conditions laid out by the Green Energy Act Alliance and their consumer protection initiatives. Then we're adding that we would like the province to integrate incentives for energy conservation and adoption of renewable energy technologies into its aging-at-home strategy, and to support Ontario's seniors to continue to live independently while being part of this new era of green energy. Rising energy costs are a factor, and you can address them by integrating some aspects into the aging-at-home policy that was delivered, I think, in 2007.

Conservation plan requirements should be extended to include adoption of renewable energy technologies for the broader public sector. You're talking already about conservation plans by them, but we also want to see them address what they're going to do to adopt renewable energy technologies. Those are not always both the same considerations.

We'd like the province of Ontario to look at issuing an Ontario savings bond for green energy and tax credits for its uptake by seniors and low-income and fixed-income citizens. Many of us in the silver-hair set, formally called "boomers"—and I gather we're being rebranded as "zoomers" these days—have enjoyed and benefited from a wonderful prosperity in this province. It's time to invest now in this next stage, especially at this point of economic crisis. I'd like you to consider what the Ontario savings bond program can do in that respect.

Finally, on my point on home energy audits—

The Chair (Mr. David Oraziotti): Thank you.

Ms. Beatrice Olivastri: Am I done?

The Chair (Mr. David Oraziotti): That's time for your presentation, sorry. Thank you. We do have a few minutes for questions. Ms. Broten.

Ms. Laure C. Broten: Thank you, Beatrice. Friends of the Earth has been on the leading edge of protecting the planet and individuals for many years. Does Friends of the Earth have a position with respect to the health issues that are being raised and that we're hearing about, before this committee and elsewhere, with respect to turbines and those health effects?

Ms. Beatrice Olivastri: I find it challenging, and the way we're looking at it is that we would recommend some comprehensive work on health effects, as in, we have adequate work being done on health effects from transmission lines, on health effects from coal-fired electricity generation, an ongoing clean air issue. So I do think it is timely and critical that we invest in some work on health effects, but that we don't postpone.

Part of the idea of the province setting standards is to do, I think, very important assessments and across-the-province standards for setbacks and all kinds of things. They have to take into account the health issues, but broadly. Frankly, I'm more concerned about coal-fired

plants, but I think all of these fit into a basket of health concerns and energy production that you do have to invest in.

The Chair (Mr. David Oraziotti): Thank you very much. That's the time for questions. Ms. MacLeod?

Ms. Lisa MacLeod: Welcome to our committee. I have but one question for you. I had several, actually, but the time just does not permit. You support the provision of home energy audits, and, of course, it's a noble goal. That said, we listened earlier to the Ottawa Real Estate Board, and we heard—and this is true, and I'd like your opinion on it—that just because one would undertake a mandatory home energy audit, it does not necessarily mean a home will become more energy-efficient. There is nothing within the legislation that makes any findings from a mandatory home energy audit mandatory to fix. I actually do not support the home energy audit, but that said, and notwithstanding my concerns, there's another concern there, and I would like your opinion on that.

Ms. Beatrice Olivastri: Well, first of all, I'm an old-home buff, having owned many old homes in Ottawa, so I know about the challenge of 100-year-old homes and energy conservation, and I listened with shock to the real estate presentation earlier. Anyone who is selling a home in the Glebe or Sandy Hill or in Little Italy, where I live, or other places, is in the \$250,000 to \$300,000 and up category, and \$150 to make your sale more competitive and more informative to the potential buyer is a bargain, in my estimation, especially when you can identify the investments either if you're planning to make them yourself or what would be facing the person buying the house.

Ms. Lisa MacLeod: The question was not about how much this would save somebody or would cost them; in fact, it's the opposite. What do you do with the mandatory home energy audit? It's information, and it's not incumbent upon anybody who receives that information to do anything about it, to make their home more energy-efficient.

Ms. Beatrice Olivastri: It's not incumbent, of course not, but the point of fact is, in those audits you receive a rank ordering of what your best investment would be, should you choose to make it, to reduce the cost and improve the comfort. I've been through many of these audits, and they are far superior to what a home auditor does when you're looking at the—

The Chair (Mr. David Oraziotti): Thank you. That's time for questions. Mr. Tabuns.

Mr. Peter Tabuns: Hi, Beat. Thanks very much for the presentation. One of the points that's been raised by other organizations is the need for an efficiency Ontario office, a specific agency that will drive the conservation and efficiency agenda. You haven't mentioned that, but is that something that your organization would support?

Ms. Beatrice Olivastri: Yes, Peter. I do find it curious that we're seeing the closure of the chief conservation officer, although that position had morphed into something that did not have the wherewithal to deliver on its earlier mandate. So yes, a conservation efficiency office would make sense. I don't understand how that

would impact on what the renewable energy office is, so we need to look a little bit at the two. I would prefer to see an out-of-ministry office, though, but with sufficient resources to do its job.

Mr. Peter Tabuns: I have no further questions.

The Chair (Mr. David Orazietti): Thank you very much for your presentation.

That concludes the morning presenters, and the committee stands in recess until 1 o'clock.

The committee recessed from 1202 to 1300.

The Chair (Mr. David Orazietti): Good afternoon. We'll resume committee hearings of the Standing Committee on General Government. If members could take their seats, that would be great.

ONTARIO SUSTAINABLE ENERGY ASSOCIATION

The Chair (Mr. David Orazietti): The first presenter is the Ontario Sustainable Energy Association.

Good afternoon, sir. You have 10 minutes for your presentation and five minutes for questions from members. If you'd like to state your name before you begin, you can do that. That would be beneficial so that Hansard can record your comments and members will have a record of that. That's it, so go ahead when you're ready.

Mr. Kristopher Stevens: Thank you. Kristopher Stevens. I'm the executive director of the Ontario Sustainable Energy Association, more commonly known as OSEA, and I speak on its behalf. Thank you, Mr. Chair, for allowing OSEA to present to the committee today.

OSEA is a province-wide, member-based, non-profit organization representing the diverse community power sector, which includes individual households, First Nations, farmers, co-operative and collaborative businesses, municipalities and other local institutions.

OSEA envisions an Ontario where every citizen is a conserver and generator of green energy as either an individual or through a local community-owned business, contributing to the province's transition to 100% sustainable energy.

OSEA, a founding member of the Green Energy Act Alliance, congratulates the provincial government on its commitment to making Ontario a world leader in sustainable energy through the Green Energy and Green Economy Act. In our view, if the Green Energy Act legislation passes and is accompanied by regulations and directives that fully implement world best practices, contextualized by forward-thinking Ontarian creativity, the act will be truly world-class.

During the past several months, OSEA, as part of the Green Energy Act Alliance, has been working with its local member groups and partners to deliver more than 40 workshops across the province, with equally as many small meetings happening with local leaders and businesses.

Our hosts, to name a few, include ULERN in Sault Ste. Marie, the Bruce Peninsula Environmental Group in Lion's Head, the Windfall Ecology Centre in York

region, the Prince Edward county sustainable group in Picton, the AgriEnergy Producers Association of Ontario in Ottawa, the M'Chigeeng First Nation on the Manitoulin, and many more.

Thousands of people have attended and have joined the alliance across the province, making it clear that they want a Green Energy Act where conservation and renewable energy are the priority. They want to stop being simply consumers and want to contribute to the mitigation of climate change, of health impacts from fossil fuel emissions, of the risks associated with nuclear energy around cost overruns, and of environmental impacts. They want to create energy security and jobs and to drive local economic development. They want to be conservers and generators of clean, green, sustainable energy as individuals or as partners in community-based projects. They want their leaders, whether NDP, Greens, Conservatives or Liberals, to make this the best Green Energy Act possible.

Feed-in tariffs as the primary procurement mechanism: A feed-in tariff approach is a significant improvement over the previous requests-for-proposal process, which effectively precluded community power groups from obtaining power purchase agreements due to prohibitive costs and systemic prejudices against community power.

It has been established through empirical research by groups such as the Fraunhofer Institute—and I believe you received this document from one of my colleagues from the Toronto Renewable Energy Co-operative—and Windustry that FITs are the most effective, efficient and cost-effective method to procure renewable energy.

The bill, as drafted, enables but does not require a feed-in tariff approach for the procurement of renewables. OSEA recommends that Bill 150 be amended such that the FIT program is the primary mechanism for procuring power from renewable sources.

We recommend that in schedule B, section 7, subsection 25.35(1) be changed to "shall" rather than "may," and that the section apply to green energies, which should be defined to include both renewables and high-efficiency combined heat and power. Similarly, in 25.35(2)(b), the minister's issuance of directives to guide the FIT approach should be mandatory.

While OSEA is encouraged by a community wind tariff of 14.4 cents per kilowatt hour and by the OPA's proposed rules for the FIT program, we suggest that a better approach would be to amend Bill 150, subsection 25.35(3), defining the feed-in tariff program to list natural resource intensity as a permissible basis of differentiation in addition to energy source or fuel type, generator capacity etc. This will ensure that FITs do not overpay or underpay for projects, and will allow for a higher attainment of generating capacity per dollar spent by capturing a larger bucket of projects.

Interconnection costs: No entrepreneur or lender would invest in a business venture that had no access to a market to sell its product. Likewise, the absence of a guaranteed grid interconnection and the prohibitive cost

of attaining one have long stifled progress towards building community power projects. Examples of community power projects that are awaiting access to the grid include the Lakewind joint venture between the Toronto Renewable Energy Co-operative and Countryside Energy Co-operative, which is stranded in an orange zone; the BlueWater AgriWind farmer co-operative in Lambton county, which wants to do a 57-megawatt wind project; M'Chigeeng First Nation's four-megawatt wind project on Manitoulin Island; and the Kiasel farm's 500-kilowatt biogas project in Cobden.

We are very pleased to see that Bill 150 would guarantee renewable energy generators a connection to the electric grid. The cost of connecting renewable energy generation to the grid, apart from the shallow connection costs that are in the control of and should be borne by the project developer, are being incurred for the benefit of society as a whole. Accordingly, it is not appropriate to visit these costs on a particular generator or a particular distributor's customers.

Schedule D, section 15 proposes a regulation-making authority to determine when generation connection costs are to be borne by a distributor or transmitter rather than by a generator. Schedule D, section 14 adds a new section, 79.1, that would allow regulations to spread such costs out to all customers in the case of connection costs incurred by a distributor. These sections should be amended to clarify that "all customers" is not limited to customers of that distributor and to make the mechanism for all connection costs and enabler line costs beyond the on-site shallow connection cost for renewable generation.

Supporting community power development: Municipalities such as the township of Petawawa would like to do a small hydro project right behind the town hall, moving beyond being a check box to being an enabler, partner and proponent. Groups like ULERN are looking to forestry-based biomass as a real opportunity for an ailing industry. Homeowners like the Vornwegs, who converted the old mill just outside Killaloe that produced the lumber for the Petawawa military base years ago, are already producing 15 to 30 kilowatts from their hydro project, which powers their home and a few others in the area. Windy Hills Caledon co-operative has seven landowners signed up and is ready to proceed to the next stage of their 10-megawatt project.

We applaud the government for the removal of barriers to community-based development, including the proposed amendments to the Co-operative Corporation Act that would recognize renewable energy co-ops. We also applaud the proposed empowerment of aboriginal peoples, local distribution companies and municipalities.

In order to build the capacity of Ontario's community power sector, Bill 150 should be amended to provide an ongoing funding mechanism to enable communities, First Nations, farmers and municipalities to develop their own successful green energy projects. We recommend that the province establish comprehensive financing tools. Specific measures would include loans and grants for community power projects because community power

projects require early-stage funding to cover the initial project development work, such as pre-feasibility study grants, organizational capacity-building grants, feasibility study loans, and project development loans.

Capitalization loans eligible to community power projects require simplified access to low-cost debt that enables them to retain a majority equity stake—ownership—of projects.

Capacity-building: The community power sector requires resources to build the financial, technical, social, legal and organizational templates and practices associated with the facilitation and development of locally-owned, community-based renewable energy and conservation projects.

Last, I'd like to strongly recommend that the act grandfather those early adopters who paved the way for the current act that's being put forward, as well as the feed-in tariff based on cost plus a reasonable return on investment. Please don't penalize them for doing the right thing. Thank you for your kind attention.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Yakabuski.

Mr. John Yakabuski: Thank you, Kris—another gentleman from Renfrew county.

Mr. Kristopher Stevens: Good to see you again.

Mr. John Yakabuski: Kris, you talked about the feed-in tariffs being variable. With respect to the availability of the resource in certain areas being less than others, what's your view on the feed-in tariff that has been established for biomass, which of course is a big issue in our area? Do you see that as being too low to make it viable?

Mr. Kristopher Stevens: Our recommendation document that will be going forward from OSEA as well as the rest of the Green Energy Act Alliance will be recommending differentiation based on scale of project, and a number of our members have expressed concern about the tariff being too low for some of their projects.

1310

Mr. John Yakabuski: Also, I think you talked about raising the rates on current projects to bring them in line with the FITs?

Mr. Kristopher Stevens: Right.

Mr. John Yakabuski: Would that only apply to small, community-based projects, or would that apply to larger developments as well that have been established by large wind development corporations?

Mr. Kristopher Stevens: The recommendation we're putting forward is for grandfathering all projects, but at the minimum, it should be for solar rooftop projects, those that have installed solar projects on their rooftops.

Mr. John Yakabuski: Okay. Thank you very much. I appreciate it.

Mr. Kristopher Stevens: You're welcome.

The Chair (Mr. David Oraziotti): Mr. Tabuns.

Mr. Peter Tabuns: Kris, thanks for the presentation. You want the language in the bill to be changed so that FITs shall be the primary method for paying for renew-

able energy. If that language is not changed, what are your concerns?

Mr. Kristopher Stevens: Our concern really ties into the changing landscape, and it arose this past week during the OPA stakeholder sessions, which have been going on for four weeks already and have another four weeks to go—or maybe three. If the feed-in tariff is something that can be changed or moved around, dependent on the IESO or other parties in the future, including this party that's in power right now, the tool that has already been identified as being the most effective at bringing renewables online may be hamstrung and therefore not as effective as it could be.

Mr. Peter Tabuns: Thank you.

Mr. Kristopher Stevens: You're welcome.

The Chair (Mr. David Oraziotti): Mrs. Mitchell.

Mrs. Carol Mitchell: Thank you very much for coming and making a presentation today. We know how important community projects are. One of those projects is trying to move forward in the most beautiful riding in the province of Ontario, that being Huron–Bruce.

One thing I did want to give you the opportunity to speak to today, as this has come up a number of times throughout the hearings: I wanted you to have the opportunity to speak about who your voting members are and how much they encompass of the renewables.

Mr. Kristopher Stevens: Our voting members range from First Nations co-ops, municipalities, LDCs. It really runs the full spectrum of local groups that want to develop projects. I've provided a list of our current voting members in the package, as well as a couple of other documents relating to a bit of a rebuttal to some of the comments made about Denmark and the fact that they really have dropped their carbon emissions, as well as some information about Germany and their reduction in carbon emissions, as well as the jobs. I think it's of interest to point out that Germany has actually just put forward the plan to go 100% renewables by 2020.

Our community power groups run the full gamut. They're doing everything from biomass to solar to wind, and some of them are doing combinations. For instance, the Farmers for Economic Opportunity in western Ontario are right now looking at a portfolio of projects, and really OSEA is trying to put forward the idea that it's not just about small, it's not just about big; we need to have a balanced package of projects moving forward. Partnerships are a great thing, and we need a balanced portfolio of renewables to make things happen.

Mrs. Carol Mitchell: Just to reinforce the comments that you have made, certainly from the OFA and the rural communities, we have heard constantly that they would like to see more community-based power projects, and it gives the opportunity for rural communities to get into the business.

Mr. Kristopher Stevens: Totally, and I think it's really exciting that the Green Energy Act Alliance was really a grassroots movement of associations that don't usually work together that have gotten together. So you've got unions, you've got farmers, you've got First

Nations. You really have the full gamut. It wasn't big power that put things forward; it was community power.

The Chair (Mr. David Oraziotti): Thank you very much. That's time for your presentation.

RENFREW COUNTY FEDERATION OF AGRICULTURE

The Chair (Mr. David Oraziotti): The next presenter is the Renfrew County Federation of Agriculture.

Good afternoon, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions. If you can state your name for the purposes of our recording Hansard, you can begin when you like.

Mr. George Heinzle: Hi. My name is George Heinzle. I'm from Prescott county, actually. I am a member of the Ontario Federation of Agriculture, and that's how I got to take this place.

We have a methane digester on our farm that's generating electricity under the RESOP program. We've been selling since over a year and a half now. We were actually the first farm in Ontario to sell electricity to the grid. I'm here on behalf of the AgriEnergy Producers' Association. We're mainly involved in on-farm digesters. So we're asking to break down the price for digesters because smaller projects are proportionately much more expensive than the larger ones. We ask that for under 150 kilowatts they put the price up to 18.7 cents per kilowatt hour; from 150 kilowatts to 250 kilowatts, to 16.7 cents per kilowatt hour; from 250 kilowatts to 500 kilowatts, to 14.7 cents per kilowatt hour; and over 500 kilowatts, to 12 cents per kilowatt hour.

The reason is, like I said, it's proportionately much more expensive, but the benefits lie in small digesters. If we could have a lot of small digesters all across Ontario on farms, it would reduce the smell. When we spread our manure on the land, it doesn't stink anymore. I'm sure you have all smelled that, and it's not very pleasant. So that's a great advantage.

It reduces pathogens. We all remember what happened at Walkerton when E. coli got into the water supply. If we don't have that in the manure anymore, it's a great advantage. It reduces methane emissions and weed seeds. It improves the fertilizer value of the manure, and it diverts organic materials from landfill sites. In our digester we're taking in off-farm materials to make more gas for our generator. That's why I find it's very important to have those small digesters out in the country.

One large advantage is that it stabilizes the grid. There are a lot of stray voltage problems on farms, and by having digesters and generators at the end of the feeder, it would stabilize that and reduce the risk of stray voltage. Furthermore, it is important to include the early adopters, like the previous speaker said.

Currently, I believe there are only four digesters selling electricity under the RESOP program, and they've led the way for everybody else, so they should not be left out. We're fighting now for everybody else to have a

better price, so it will be good if we could be included also.

I didn't want to sign on the RESOP program, but I was forced into signing because I had to start to make the payment. I asked all the way up to the minister for a grandfather clause in case there's a better program coming out, so that we will not be left out, but we couldn't get that grandfather clause.

That's it for my presentation.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

Mr. Peter Tabuns: Thank you very much for the presentation. I'm glad that you've been leading the way on biogas development digesters. How many of your neighbours would pick up on this, do you think, if the price were set accordingly?

Mr. George Heinzle: There's a lot of talk now amongst the farming community about digesters, but currently they do the math and they say it just doesn't pay. If we could get a good rate, I'm sure there would be a lot of farms investigating that over the next few years and looking at that as an alternative instead of expanding the farm some more to get some more revenue out of this.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Thank you. Ms. Mitchell.

Mrs. Carol Mitchell: Thank you very much for your presentation, George. One of the issues we have is stray voltage. Especially in dairy farms it is a real issue, and it can affect milk production. When you talk about moving towards smaller systems, it can start to stabilize the grid. Is that something that you see would be stabilized by smaller generations of energy?

Mr. George Heinzle: Yes. We are very close to the substation, and we haven't noticed anything, but Paul Clancy—he was the first one to have a digester—says they noticed it themselves on their own farm and their neighbours noticed the difference, but since we are so close to the transformer station we don't see any difference. We're on a main feeder, so it goes right over to the village of St. Ann's. That's why we haven't noticed it, but if this generator was at the end of the feeder, I'm sure there would be a difference.

The other advantage, too, would be—on single-phase, the generators can't go much over 100 kilowatts, so in order to get those smaller generators at the end of the single-phase line, we would need to have a higher price to get them built.

1320

Mrs. Carol Mitchell: Okay. My other question is specifically with regard to off-farm materials. What are you accepting right now for off-farm?

Mr. George Heinzle: We have two products coming in now. One of them is from a small waste hauler; he picks up grease-trap waste from restaurants. The other one is from a food processing plant—it's a bacon factory—and it's just the waste grease. It's not the good fat that they trim off the bacon; it's what goes on the

floor, and that has been hauled to landfill sites and composting facilities before. We're taking that in now, and it makes a big difference in the gas production.

The Chair (Mr. David Oraziotti): Thank you; that's time for questions. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, George, for your presentation today. We had an excellent presentation yesterday from Stanton Farms with respect to biogas, and they talked about many of the things that you talked about today, including being able to deal with what they call an unused source of energy, as opposed to waste, which is a challenge for farmers, because as long as we have livestock we're going to be producing that.

I appreciate your suggestions on the FIT rates, because I've been at the Klaesi brothers' installation, as Mr. Stevens talked about earlier. Right now it's a 50-kilowatt system and they'd like to make it larger, but the question is, is it viable at the current rates? There's also the connection issue. So we do hope that the government is listening to some of these suggestions from people, because again, we deal with two issues too: an industry that is looking for ways to augment their income, to support themselves in an era of difficulties for farmers, and at the same time, we deal with other issues such as the by-products of livestock that actually can be a problem for us, and the methane gas, which is currently escaping into the atmosphere. If we can make use of those, that's a wonderful thing. So I appreciate your input today and hope that the government is listening.

The Chair (Mr. David Oraziotti): Thank you very much. That's time for your presentation.

CEMENT ASSOCIATION OF CANADA

The Chair (Mr. David Oraziotti): Our next presentation is the Cement Association of Canada.

Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions. Please just state your name for the purposes of Hansard and you can begin when you like.

Mr. Michael McSweeney: Thank you, Mr. Chairman. My name is Michael McSweeney and I'm the vice-president of industry for the Cement Association. It's a real pleasure to be here today to have an opportunity to congratulate the government on the Green Energy and Green Economy Act.

I want to share with you a little bit about the Cement Association of Canada, or as we call it, the CAC. Ontario's cement companies are names that you all know: Lafarge; St. Lawrence, which yesterday rebranded as Holcim; Essroc; Federal White; and St. Marys, and together, they manufacture over seven million tonnes of cement and meet all of Ontario's cement demand. They employ more than 1,000 Ontarians and generate over \$1 billion of economic activity in this province.

Many people are not aware of the difference between cement and concrete, so by way of a very brief cement 101 course, let me explain the difference. Cement is a

fine grey powder, somewhat like flour, that's mixed with gravel, sand and water to produce concrete. Without cement, the key ingredient, there would be nothing to bind the sand, water and gravel together, so cement acts like the glue that holds it together. I'm sure many of you have said, "Oh, look at the cement truck going down the street," when in fact, it's really a concrete truck, not a cement truck.

Cement has been made for thousands of years. It's been made the same way, and there is still no substitute for cement in the making of concrete. So please understand: without cement there is no concrete, and concrete is the most widely used building material in the world today.

One of the points I'd like you to take away today is that cement really is a strategic commodity. Governments and other users need to understand that cement and concrete are really at the heart of economic growth in the province of Ontario. Our member companies provide Ontario with a secure, stable and strategic supply of cement to support the renewal and sustainability of our vital infrastructure program. Imagine if we were held hostage to importing cement from Asia, especially with the high oil prices we experienced last summer. Our construction industry would come to a complete standstill as we waited for deliveries to come halfway around the world through the Panama Canal to service the daily construction needs of Ontarians.

As Ontario makes historic investments in infrastructure, more and more cement and concrete will be needed for the rehabilitation of highways, water and sewer systems and in the construction of sustainable and better performing, more energy-efficient buildings and homes.

Concrete highways last between 20 and 25 years, as opposed to asphalt highways, which last, on average, 10 years. Concrete highways reduce fuel consumption and pollution by between 1% and 7% and require 22% fewer light standards because concrete has a better reflective surface. I could go on ad nauseam about the sustainable and green attributes of concrete, but in the short time I have today, suffice it to say that the Ontario cement manufacturing industry has played and hopes to continue to play an increasing role in the building of a vibrant, competitive and green economy in Ontario.

With regard to the Green Energy and Green Economy Act, I would like to start off by congratulating our hometown Premier, Dalton McGuinty, Minister Smitherman, Laurel Broten and the other members of the Legislature on the introduction of Bill 150. This is truly an important piece of legislation that will provide the framework for Ontario's transition to a low-carbon future.

It's clear that significant attention has been dedicated to identifying and eliminating long-standing barriers to renewable energy projects and balancing the needs of electricity for Ontarians, as well as ensuring that Ontario becomes a leader in the green power generation.

Some of these reforms we vigorously support, including the streamlining of the review and approvals process, addressing NIMBYism, rationalizing the Environmental Review Tribunal appeal process and creating a Renew-

able Energy Facilitation Office. We also offer strong support to the government for the commitment to create a building code energy advisory council and the explicit focus placed on energy conservation through mandatory standards.

We would like to ask the committee members today to pay close attention to the potential impacts, though, on electricity prices in Ontario that may result following the adoption of this act. As a major industrial electricity consumer, we wish to point out that there is a need for this act to include appropriate mechanisms to ensure that the Ontario manufacturing sector will have access to competitive and reliably priced electricity to sustain our manufacturing operations.

One of the key objectives of this proposed act is to shift Ontario from a high-carbon to a low-carbon energy base. We believe that Ontario's cement industry can also make important contributions to helping you achieve these objectives, but to do so we need to shift the current paradigm and truly make the Green Energy Act about all energy and not just about electricity.

Cement manufacturing is an energy-intensive activity. Significant thermal energy is needed to sustain temperatures of over 1,500 degrees Celsius in order to melt the limestone, turn it into a molten substance, and then cool it so it can be ground into cement. Presently, the industry relies on imported fossil fuels like coal to meet over 95% of our primary energy needs, but as with the electricity generating sector, there are options for the cement sector to transition the industry to one that embraces the use of renewable and alternative sources and other low-carbon fuels.

A number of technical factors specific to the cement manufacturing process makes cement kilns ideal for the recovery of energy through a wide use and variety of alternative and renewable energy sources. Currently, Ontario's cement manufacturers are lagging behind our adoption of lower- and zero-carbon energy sources, whereas in western Europe, for example, about one third of the cement manufacturing industry's needs are met with energy sources other than primary fuels. In some cases, in the United States and Europe, over 80% of the fuel a cement kiln needs is derived from alternative and renewable fuels. Even our neighbours in Quebec, where we share an airshed, a watershed, and have climate change agreements, use over 25% of renewable fuels in the production of cement. Ontario's record, Mr. Chairman and committee members, is truly a dismal one. Less than 5% of the fuels in Ontario come from alternative or renewable sources.

Around the world, energy recovery in cement manufacturing through the substitution of fuels is a well-recognized and accepted practice. Don't listen to some of the environmental groups out there. It is a proven fact that using alternative and renewable fuels reduces air pollutants, including NO_x, SO_x and greenhouse gas emissions.

1330

At present, our industry is hesitant to use alternative and renewable fuel sources and energy from waste

because of the current language in provincial legislation that basically states that once a substance is a waste, it's always a waste, even if that potential fuel has been processed into a form that has only one purpose and that purpose is as a fuel.

For example, the Dongara waste pellet plant in Vaughan, which was welcomed by Greg Sorbara and the current government, uses waste from York region's residential community as a feedstock to manufacture an engineered fuel product. This waste is delivered to the plant from curbside collection. The pellet is comprised of processed material that is left over. Let me stress this again: This is made only after all of the city recycling and reuse initiatives are fulfilled; otherwise, this would go to landfill.

Energy recovery from wastes will not eat into recycling. That is a myth. It will not eat into reuse. That is a myth. There are global studies in the world to prove this. But in Ontario, because one arm of the government giveth and the other arm of the government doesn't, industries like cement plants and agricultural greenhouses cannot use this fuel made in Vaughan without getting a waste-handling and -processing permit. Waste permits are costly and time-consuming to obtain and face significant NIMBYism, all because of unfounded fears and weak-kneed policy-makers and, I dare say, politicians.

Instead of capturing the benefits of this Ontario manufacturer, Dongara in Vaughan, these fuel pellets are shipped upwind to competing US jurisdictions like Michigan. Think of the greenhouse gases your government policies create by allowing this to be manufactured and then trucked 200 or 300 miles to another jurisdiction.

Getting back to the act before us today, to achieve the province's broad and significant environmental goals, we need to look beyond the standard view of electricity production and consider the important potential contribution from thermal industrial processes.

As I've explained, like the electricity sector, our sector has the potential to combust fully renewable, purpose-grown forest and agricultural by-products, but we face similar barriers. Simply put, it's currently uneconomical to use biomass as a renewable fuel in a cement kiln. At over 40% of our operating costs, energy costs are a dominant competitiveness consideration.

The Chair (Mr. David Oraziotti): Sir, I'm sorry to interrupt, but that's time. If you want to take 10 to 20 seconds and just wrap up, that would be okay.

Mr. Michael McSweeney: Okay.

We're confident that if you allow cement kilns to burn or use alternative and renewable fuels, we would be able to dramatically reduce greenhouse gases—and isn't that the whole point of climate change? We can reduce greenhouse gases by 2.5 tonnes for every tonne of renewable and alternative fuels we use.

Thank you very much for your time. I look forward to answering any questions you might have.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Ms. Broten.

Ms. Laurel C. Broten: I'm wondering whether or not you can speak to the issue of the process established in other jurisdictions to get them to the state that you would want to be, where you see other waste-derived fuel being used as a source. It's my understanding that not all of those jurisdictions have defined waste-derived fuel as renewable fuel and renewable forms of electricity, but they've used different mechanisms—certificates of approval and other things—to get there. I'm just wondering if you can speak to the contrasting approaches in different jurisdictions.

Mr. Michael McSweeney: Ontario is the most difficult province in Canada to do business in, plain and simple. Quebec is a dream to do business in. British Columbia is becoming much easier to do business in. We have great difficulty bringing in material to even run a test burn that would demonstrate to a local community, to the ENGO community and to government that if we use renewable and alternative fuels, we aren't producing any more NO_x, SO_x, and we're actually reducing them, as well as reducing greenhouse gases. So Ontario really is a laggard, and we're working very closely now with Minister Gerretsen and Deputy Beggs and various members within the environment department to try to come to grips with that.

Ms. Laurel C. Broten: But that wasn't really my question. My question was, how did other jurisdictions get there? You're making comment with respect to the Green Energy Act, and I'm asking you whether or not there aren't other doors open to pursue the pathway that you want to pursue.

Mr. Michael McSweeney: We're trying to do that now with the government. We held a two-day symposium in February, trying to work with four or five different departments. It's not just energy; it's not just environment; it's not just economic development; it's a myriad of issues. But we need to move quickly in order to try to reduce the amount of greenhouse gases in the province.

The Chair (Mr. David Oraziotti): Okay, thank you; that's the question. Ms. MacLeod.

Ms. Lisa MacLeod: If I didn't know your last name, I could definitely tell by your voice that you're Colin's brother.

Mr. Michael McSweeney: Yes.

Ms. Lisa MacLeod: And that's a good thing, because he's a great friend. I know that John wanted me to point out that Colin married a girl from the great riding of Renfrew-Nipissing-Pembroke.

Your presentation was astounding; it was quite good. I think it gives us all food for thought. I want to focus, though, very quickly on a comment you made to Ms. Broten, but also was encapsulated in your deputation, about the impacts of electricity prices in Ontario on not only our manufacturing sector, but on business. When I look at this and what it would cost a small grocer in my riding—about 30% more, according to a study we had commissioned by London Economics International—it's going to be quite a burden on small business.

I would like you just to talk a little bit more about that, on how that will impact your industry and what it might do to jobs in your industry.

Mr. Michael McSweeney: We haven't had an opportunity to run those numbers yet, but we know that the manufacturing sector today is facing unprecedented challenges for competitiveness. Given that electricity comprises about 18% or 20% of our operating costs of a cement kiln, any increase to that without subsequent changes to policy that would allow us to save on costs of other fuels like petroleum, coke or coal—we would find ourselves in distress.

Ms. Lisa MacLeod: In addition to that, obviously, with the rising costs of hydro and the costs of doing business, you're also going to be confronted with another 8% on top of the GST. We've estimated costs, through our party, that do not include the 8% HST, which will admittedly be coming in in another year. How do you think that might impact you?

The Chair (Mr. David Oraziatti): Very briefly, and you can respond to that.

Mr. Michael McSweeney: It definitely is going to have an effect. But by the same token, the government has looked at reducing corporate taxes. If there are some increases here and some decreases there, if we can reach some equilibrium, as long as there's an open door to industry from government—and we feel we can make our case—then we're prepared to live with that.

The Chair (Mr. David Oraziatti): Thank you. Mr. Tabuns.

Mr. Peter Tabuns: Thanks, Mr. McSweeney, for the presentation today. Just to be clear, when you use the terms "renewable" or "alternative fuel," we're talking about garbage, right? We're talking about—

Mr. Michael McSweeney: No, we're talking about meat and bone meal, which is today going into landfill; we're talking about biomass that's just sitting on fields. No, we're not talking about municipal waste—although this is a good example where they have gone in and separated all of the garbage out of this and turned this into a fuel. One greenhouse in southwestern Ontario has applied for a permit to use this, and that's under review today by the MOE, but the balance of the Dongara pellets go to Michigan. We're exporting a fuel that could be used here and we're taking a problem and giving it to somebody else. Ultimately, the winds are upwind; we're going to get whatever they have.

We are not incinerators; we make a product. It's not garbage in, garbage out; we have to have a very specific recipe, because at the end of the day, I don't think you want to see these 18 floors come crashing down on you because of the structural integrity of something that's been made with garbage. It's a very fine-tuned recipe. It's used all over the world. As I said, in Europe, 80% of the coal has been replaced by alternative and renewable fuels, but we will never get there in Ontario with tipping fees of \$60 a tonne.

The Chair (Mr. David Oraziatti): That's time for your presentation. Thank you for your presentation this afternoon.

Mr. Michael McSweeney: Thank you very much.

1340

GREATER OTTAWA HOME BUILDERS' ASSOCIATION

The Chair (Mr. David Oraziatti): Our next presenter: the Greater Ottawa Home Builders' Association.

Good afternoon. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions. You could start by stating your name for the purposes of our recording Hansard, and you can begin when you like.

Mr. John Herbert: Thank you, Mr. Chairman and members of the committee. Good afternoon. My name is John Herbert. I'm the executive director of the Greater Ottawa Home Builders' Association. It's nice to be here. I want to thank the committee for allowing us to take a few minutes of your time to make some remarks today on the proposed new Green Energy Act.

As you're probably aware, the Greater Ottawa Home Builders' Association is the voice of the residential construction industry in this region. We represent about 320 member companies involved in all aspects of the industry that, together, employ over 25,000 people. Together we produce over about 90% of the region's new housing, and we also renovate and maintain Ottawa's existing housing stock. In doing so, we serve today's homeowners and try our best to also represent the interests of tomorrow's new homebuyers. Our industry contributes about \$1.2 billion in wages to the local economy here every year.

Our members have also been on the leading edge of energy-efficient housing design and green construction practices. The Canadian Home Builders' Association began working very closely with the Canada Mortgage and Housing Corp. in the mid-1970s, when the federal government injected millions of dollars into research and development on energy efficiency issues that resulted from our first energy crisis of the early 1970s. This initiative resulted in a wide range of new technologies, materials and construction practices that facilitated new programs such as R-2000 that really remained on the forefront of energy-efficient house construction for decades. This program has now been in existence for 30 years, and while it's been eclipsed by other, more popular programs today, R-2000 helped put Canadians on the global map as producers of the best-built housing in the world.

I'm particularly proud of Canada's housing industry, having spent about four years as manager of Europe for the Canada Mortgage and Housing Corp.'s international division, where I was responsible for transferring our wood-frame housing technology to former Eastern bloc countries where many people did not even at that time understand the concept of insulation.

In Ontario we continued to refine and perfect our housing technology such that over a 16-year period, from 1990 to 2006, our housing stock increased by over 30%

but our greenhouse gas emissions remained essentially the same. This has resulted in the elimination of literally millions of tonnes of greenhouse gases that otherwise would have been released into the atmosphere and puts us light-years ahead of any other industry in Ontario, or Canada, for that matter.

For these and many other reasons, the Greater Ottawa Home Builders' Association took an early position supporting the proposed Green Energy Act, and we worked with our Ontario association in issuing a media release the day after the first reading of Bill 150. We agree with the fundamental policies being proposed. However, we'd like to offer some comments and advice on behalf of an industry that has been voluntarily providing and encouraging energy-efficient housing programs, labels and certification for over three decades.

First of all, when it comes to home energy audits, our members are the ones who design the program curriculum. They're the ones who provide the training. They build the houses, inspect the houses and renovate houses. We hear directly from all of these different member groups about what works and what doesn't work on literally a daily basis.

The proposal within the Green Energy Act for home energy evaluation is, in the opinion of these experts, precisely the type of disclosure that's needed in order for consumers to compare new housing with existing housing and also existing housing with existing housing. Home energy evaluations of all homes at the time of sale will allow educated consumers to make wise and informed decisions.

Our membership is used to retaining expert consultants in order to get things done right the first time, especially when time is short, and so we are prepared to offer our decades of experience in developing and delivering these types of programs free of charge to the minister's staff. Mr. Chairman and members of the committee, we're talking about a new program that will benefit thousands upon thousands of Ontario homebuyers in the future. On behalf of these people, I urge you to consult with our association to get this done right the first time.

We've heard some suggestions that the EnerGuide program may be utilized as the basis for referencing house performance. We would respectfully suggest that there are better alternatives. While it is a national program developed in Canada to help evaluate the performance of early R-2000 homes, the EnerGuide rating scale was not the best tool to use for this purpose.

The problem with EnerGuide is that it's not equally representational of new and existing homes. Consumers need greater clarity and consistency when making energy-related decisions as part of a home purchase. Unfortunately, the EnerGuide scale does not provide either of these. As a result, less efficient houses will score relatively well and can move easily within a small range. The more energy-efficient the house becomes, the harder and harder it is for a home to gain a single point on this scale. Consumers are therefore confused as to

how a 100-year-old house can score 45 or 50 on the scale while a brand new house scores only a few points higher, at maybe 80. Consumers intuitively know that a new home must be more than twice as efficient as a 100-year-old structure and yet the numbers, using the system, do not convey this message.

Furthermore, as you know, the EnerGuide rating scale is a proprietary standard owned and operated by Natural Resources Canada. NRCan has the ability to change the regulations for EnerGuide at any time and without any requirement for public consultation. This has caused problems with their stakeholders in the past, and we believe it will continue into the future.

There have been some serious discussions with NRCan regarding these shortcomings and it's possible that they'll overhaul the complete system within the next year or so. It would be counterproductive, we believe, for Ontario to adopt a system today only to have it undergo radical change by the time the Green Energy Act comes into force and effect. As mentioned earlier, there are alternatives, and we encourage the government to work with our experts to develop a system that provides accurate information across the complete housing spectrum.

Regarding part III of the proposed legislation relating to the energy efficiency and the efficient use of water for appliances, we concur with the Ontario Home Builders' Association that the proposal is overly restrictive. We do not believe that government was designed to pick winners and losers in the marketplace, and yet by adopting a single standard for Ontario appliances, such as Energy Star, that's precisely what would happen.

Ontario has a diverse population where one size, price and design does not suit all. If only top-of-the-line appliances are mandated, then there's no longer the product diversity that a broad socio-economic range of consumers and industry requires. We believe that governments who lead by example are always more successful than those who lead by regulation.

In this regard, on a somewhat lighter note, we believe that part IV, "Inspections, enforcement and penalties," represents serious overkill. It conjures up visions of the green secret police raiding Home Depot or, worse still, someone's home to test whether or not their dishwasher complies with government requirements.

Again, we believe government should lead by example, not regulation and policing, because we have seen so often in the past that this only drives more of the economy underground, where massive amounts of tax revenue are lost every year.

With respect to sections 40 and 41 of schedule G, the Environmental Protection Act, some of our members have expressed concern that these two sections of the proposed legislation were not intentionally meant to target new home development sites. Rather, it would appear the intent was for waste disposal and transfer sites on which water courses might be present.

In the nature of the new home development process, garbage is naturally accumulated and disposed of according to very rigid existing waste management policies.

Having an additional layer of certification would cause significant uncertainty and red tape in the development approvals process.

We already have to comply with mandatory regulations for waste management at the municipal level and do not agree with additional layers unnecessarily being added to our industry. So we believe that further clarification in these sections is required.

Finally, an area that perhaps was overlooked when developing the proposed legislation is the ability for a condominium corporation to secure green loan financing for green initiatives and how these loans should be managed. Again, we're very pleased to assist in the review and development of this if needed.

Mr. Chairman and members of the committee, to summarize, the Greater Ottawa Home Builders' Association is generally supportive of the proposed Green Energy Act. As mentioned at the outset, we do, however, have some concerns regarding the framework being proposed around the home energy audit component. Specifically, we don't believe that the EnerGuide rating scale is an appropriate tool to use as a universal measurement, and we would be pleased to offer our assistance.

1350

We've also observed that the act calls for a broad range of new positions to be created in order to administer and enforce various provisions. We would caution against the potential of this becoming as much of an employment generator as a Green Energy Act. We don't believe it's necessary to create another bureaucracy that only serves to add unnecessary complexity, time and money in order to pursue green objectives.

That concludes my presentation. I'd be prepared to try to answer any questions that members might have.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Ms. MacLeod.

Ms. Lisa MacLeod: Welcome, Mr. Herbert. It's wonderful to see you again. For those of you not from the city of Ottawa, John is a great friend to all of us here who do our work, and he's always a helping hand when we have any questions, especially in high-growth areas like mine and Mr. McNeely's. So, welcome.

Mr. John Herbert: Thank you.

Ms. Lisa MacLeod: I appreciated your deputation today. We heard from several other folks today, whether it's been the real estate corporation or other people who want builders to be more environmentally friendly.

My question for you: In the act—I'm not sure if you're aware of this, John, but under subsection 4(2) of the act, there is "Effect of designation." You spoke a little bit about condominiums. I just wanted you to be aware that "despite any restriction imposed at law that would otherwise prevent or restrict the activity" of renewable energy sources, "including a restriction established by a municipal bylaw, a condominium bylaw, an encumbrance on real property or an agreement," the minister will be able to override that.

One of the concerns we've got in the official opposition is that any agreement or bylaw or an encumbrance

between and among two parties could be overruled by the government. In your industry, I'm wondering how you feel about that, considering you are building on large swaths of land and you represent several business owners in our community.

Mr. John Herbert: I must confess that the act is a somewhat complicated document, so I'm not really in a position to provide you with a specific answer to the question. I guess all I could say is that we would certainly be opposed to anything that could add further complexity, delay or cost to an already overburdened system.

The Chair (Mr. David Orazietti): Thank you. That's time for questions. Mr. Tabuns.

Mr. Peter Tabuns: Thank you for the presentation and for being here today. Your comment about making green loans available to condominium corporations is an interesting one. Do you think there's a large market out there? Do you think we'd be able to mobilize it by providing people with financing?

Mr. John Herbert: Yes, I do. I think there's a lot of room to manoeuvre in that area, particularly related to things such as brownfield sites. I think there's a good synergy between that kind of green lending and brownfields redevelopment sites.

Mr. Peter Tabuns: I would understand that as well, but the condominiums—you're asking for the act to be changed so that condominium corporations can apply for those loans for energy efficiency.

Mr. John Herbert: Yes.

Mr. Peter Tabuns: You have a sense of the built form in this city. Is there a large market? Is there a lot of interest that has been discussed?

Mr. John Herbert: There has certainly been a lot of interest that has been discussed. There's no question that it's in its infancy, and there's a lot of research and development that's going on. But certainly, there is very strong interest, and I believe there would be good take-up.

Mr. Peter Tabuns: Okay. Thank you.

The Chair (Mr. David Orazietti): Thank you. Government caucus, Mr. McNeely.

Mr. Phil McNeely: Thank you, Mr. Herbert, for being here today and for an excellent presentation. I'm just looking at page 3, and it says, "The proposal within the Green Energy Act for home energy evaluation is, in the opinion of these experts, precisely the type of disclosure that is needed in order for consumers to compare new housing with existing housing and existing housing with existing housing." I thank you for that.

I know that the OPA has been working with various groups in trying to redesign the EnerGuide rating to a new rating, and I know there are some deficiencies in it. But overall, I think it's an excellent one and it's an excellent step and it can progress, hopefully, across the country in a uniform way.

I just wonder: Energy Star homes now undergo an energy rating. That's about 10% of the new homes built

that do get these energy ratings. Have you got any comments on how that's working?

Mr. John Herbert: So far, it's working well. It's treated very broadly. It's not very detailed or surgical. There's no policing or rigid. It has been very successful because builders have been able to adopt it very quickly on a broad scale without bureaucracy. That's really the reason that it has succeeded so quickly.

That's one of the things that I mentioned in my presentation that concerns us about the act, that if you introduce a bureaucracy—the policing, the regulation—it's not going to be adopted nearly as quickly as it might otherwise be.

Mr. Phil McNeely: I had a private member's bill on this initially. It came out of work we did in the city of Ottawa in 2000 with Chuck Wilson, who had a program going. The intent was always to make sure that the buyer of the new home would have that information to make the right decision, including the cost of the home plus those future energy costs, which can be equally as important. So I think what you've said here, that you support something like that—because the good builders should be rewarded, and the others who have to pull up their socks should.

Mr. John Herbert: Absolutely.

The Chair (Mr. David Oraziotti): Thank you. That's—

Mr. John Herbert: I'll just add one more comment on the energy—

The Chair (Mr. David Oraziotti): I'm sorry, sir. That's the time for your presentation. We appreciate you coming in today. Thank you.

NAIMA CANADA

The Chair (Mr. David Oraziotti): Our next presentation is NAIMA Canada.

Good afternoon, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members. Please just state your name for the purposes of our recording Hansard, and you can begin your presentation when you like.

Mr. Stephen Koch: Thank you very much. I'm Steve Koch, executive director, NAIMA Canada. Mr. Chairman, committee members and staff, thank you for this opportunity to speak with you today.

NAIMA Canada is an industry association representing the majority of fibreglass, rock and slag manufacturers in Canada and is a sister organization to the 70-year-old North American Insulation Manufacturers Association. It was established in July 2004 to be proactive in the development of technical standards and to interact with governments and partners to promote the energy efficiency and the environmental benefits of its members' products. The membership consists of CertainTeed Corp., Fibrex Insulations Inc., Johns Manville, Knauf Insulation, Owens Corning Canada and Roxul Inc.

We are here today to voice our support towards the government's commitment in this bill to provide consumers, specifically potential homeowners, a tool to educate, define and compare energy efficiency within homes. A rating system allows buyers to make sound decisions based on fact and allows them to make comparisons. Consumers already look to energy-efficiency ratings to make buying decisions when buying cars and appliances. Consumers are able to look at the rating of these goods and make a fair and reasonable comparison. Rating a home will provide the same thing.

NAIMA Canada suggests that all parties within this government view the importance of energy efficiency in relation to that of new energy sources. Both the 2007 and 2009 McKinsey reports identify energy-efficiency upgrades to both residential and commercial buildings as low-hanging fruit and important first steps.

All parties recently supported second reading of Bill 101. Some MPPs' comments included, "I think the idea of having energy consumption audits makes sense in terms of consumers and in terms of their knowing what it's actually going to cost them in monthly payments to keep a house or an apartment going."

Additionally, the official opposition's platform in the last election took a leadership role by stating that they will "build a real conservation culture in Ontario that includes...."

"Requiring home energy audits before every sale of a house—so that the market will reward homes which are energy-efficient. This will be a signal to homeowners that they will get a return on energy investments in their homes."

We all seem to agree that it's important to ensure we help homeowners save money on their basic needs of heating and cooling their homes.

NAIMA Canada suggests that the committee on general government not only support the provision for mandatory home audits but also work with the building, renovation and real estate market to promote the process of informing consumers on the full cost of a home. Consumers today have indicated a need for information that they can use in determining operating costs. The only solution put forward to date by the industry has been the past three months' heating and electrical bills. This is not sufficient or relative information.

We have a major challenge ahead of us: the energy-efficiency upgrading of our existing home stock. This government and other Canadian governments have made great strides in working with the home building industry to set higher standards of energy efficiency in new home construction. Recent upgrades to the Ontario building code and programs such as Energy Star are moving the standard higher. These great strides are not impacting the largest potential: existing housing stock. Based upon international experience, the only way for true market transformation is to provide information to the consumer for use in supporting their preference.

1400

Recent studies and polls indicate a strong willingness by consumers to demand energy efficiency in homes.

According to the 16th annual RBC home ownership study, all of the Canadians—95%—said that low energy consumption is an important consideration when buying a home. Energy efficiency is rated just as important as the look and the appearance of the home, cited by 94%. Without this being mandatory for all homes, the buyer is at the will of the seller and cannot exercise solutions to their interests.

With all potential legislation, there will be some resistance to particular requirements. The opposition to this part of the legislation has been developed out of a misunderstanding of the facts and a fear of a reduction of business. The opposition to mandatory labelling has come primarily from the Ontario Real Estate Association, without even a consensus within their own membership.

Realtor Marg Scheben-Edey sums it up by saying: “I can’t speak for local realtors as a whole but of those I’ve spoken to, reaction is mixed both for and against.

“Personally, I feel mandatory audits are the only way we’re going to meet our provincial environmental goals in the housing sector. Audits have existed for a long time yet I have not seen any level of voluntary compliance thus far from the real estate industry. I don’t believe in the financial arguments put forth because buyers have always determined the sale price of homes; it’s worth what a buyer is willing to pay and they take many factors into consideration in their decision-making.”

Having a spouse as an Ontario-licensed real estate agent has provided me with a unique view of the opposition OREA has taken. Many agents see this as a tool to provide better disclosure for the purchaser. In today’s real estate world, buyer agents are under contract to work to the benefit of the purchaser. This bill will help in fulfilling that requirement.

The Ontario Real Estate Association has publicly opposed this legislation on a few misunderstood objections. Due to the time limitations today, I’d like to address just one of those issues put forward: The auditing process cannot be relied upon; it has no standards or quality assurance. That’s just not correct.

The current EnerGuide system, which this may be based upon, is used across the country currently for rebates, like the ecoEnergy program and legislative requirements such as building codes. Canada’s Ministry of Natural Resources is responsible for the program and the training and quality assurance of the auditors. A three-page overview has been developed by the ministry to address these misunderstandings. Training, instruction and quality seem to be a high priority for this program, and because of that, it is supported by many provinces, including this one. The capacity of auditors is proceeding as we speak, with the assurance that the same levels of quality will exist for future implementation of the mandatory energy-efficiency labelling of homes in Ontario.

It is clear that improving energy efficiency not only helps us meet our commitments but also has an immediate, positive impact on us and our families. Our industry is committed to energy conservation and will continue to work with all interested parties. Give the

choice back to the consumer by requiring homeowners to actually disclose the energy efficiency of their house. To not do so will be ignoring the majority of your constituents. Thank you.

The Acting Chair (Mrs. Carol Mitchell): Thank you, Stephen. We begin the round of questions with Peter.

Mr. Peter Tabuns: Thank you for the presentation. An earlier presenter today suggested that we not use the EnerGuide system and that we develop another one. Do you have any comment on that?

Mr. Stephen Koch: I don’t think there is another one out there that currently has the testing and the input that has been used with the EnerGuide system across this country. As we move more toward consistency, hopefully across this country, more and more provinces will adopt this rating system. To have different rating systems in different provinces would be, I think, a shame.

Currently, we have a system that, yes, has some faults, but it doesn’t have faults for which we can throw it out. For example, when you go buy a vehicle and you see the efficiency rating on a vehicle, the odds of you and the way that you drive meeting those particular requirements are very low. But what it does is give you a base by which to judge, and that’s what we’re trying to do here. I think the EnerGuide rating system and the commitment by Natural Resources Canada to supply that information to provinces is something that should at least be considered.

Mr. Peter Tabuns: Thank you.

The Acting Chair (Mrs. Carol Mitchell): Phil?

Mr. Phil McNeely: Thank you, Mr. Koch, for coming in today and making a presentation. You mentioned that home energy retrofits are the low-hanging fruit of conservation and have been identified as such. I’d just like to go through that.

There are 2.7 million homes that come under section 9 of the building code, which we’re dealing with—up to three-storey buildings. That’s what the private members’ part of this was doing and that’s what the training of the energy advisers is for, I believe. If we talk about 2.7 million homes, it’s extremely important—most of the energy upgrades have a payback of, let’s say just for the air sealing, probably one year, two years; and some of the windows and some of the insulation get up to three, four, five years. But generally, the paybacks on most of these energy retrofits are within the 10 years. I’ve just gone through the 2.7 million homes, and at a one-and-a-half-tonne reduction per home, we could be up to a four-million-tonne or five-million-tonne reduction of greenhouse gases on an annual basis by the time we get all our homes retrofitted in Ontario. That would be a great thing to do.

I just want you to make some comments regarding low-hanging fruit, that conservation is a way of replacing energy use, of course, and that we can do it very economically with home upgrades.

Mr. Stephen Koch: I personally believe that greenhouse gas reduction is important, but I think a core

element of this particular bill needs to be said, and that is that it's going to save consumers money. It's going to allow consumers to live a more comfortable life, having to pay less for their heating and cooling costs. We've seen a drop in heating costs recently, but everything indicates to me, right across this country and North America and the world, that energy prices are going to continue to rise. By providing the tools—we're not forcing anybody to upgrade their home. What we're doing is, we're providing them with the tools with which they can make an informed decision, then using some of their money to upgrade after they purchase, or to ask the owner to do it themselves.

I think, at the end of the day, the consumers are the ones who are going to benefit, and it's shown very strongly in recent reports from the Royal Bank of Canada and even from EnerQuality, here in Ontario, that consumers are looking for that information and they don't have any tool to use right now.

The Acting Chair (Mrs. Carol Mitchell): Thank you, Stephen. John?

Mr. John Yakabuski: Thank you, Stephen, for joining us this afternoon. According to Mr. McNeely, we already know how inefficient homes are in the province of Ontario. Perhaps we don't need the energy audit, then; we just need to fix them because he already has the numbers.

Energy audits are available on a voluntary basis. Your contention that all realtors don't agree—we've had nobody from the real estate associations address this committee speaking in favour of energy audits. With the 10,000 or more real estate agents in the province of Ontario, I would be surprised that there would be unanimity on any issue, so I'm not sure that that is actually relevant, but I think right now, we have a problem with the availability of inspectors. There is nowhere near, less than 10% of the need that would be required to accomplish these audits. The true cost is not the \$300, because you also have to calculate in mileage with respect to people, unless you live in an area where the auditors are readily available, so there are a lot of issues involved here.

There is no requirement, with respect to these energy audits, that if you actually had an audit done on the home, you would have to upgrade that home should it be sold. There's no requirement. It's simply, "This is the number. Thank you very much"; negotiate a better price and move on from there. There's no requirement, so I'm not sure that energy audits themselves—in fact, I don't see that they're going to have—unless someone wants to take the home that they own and improve it for themselves and get an energy audit as a genesis of that, requiring it as part of the sale transaction, I don't see how that's going to be helpful in reducing energy use at all.

Mr. Stephen Koch: Well, 120,000 home audits were done in Ontario last year. That's a little bit more than 10% of the homes that sold. I personally believe that informing a consumer about the operating costs of the home is part of the purchase price of the home, because

operating costs are something that are going to live on forever and ever. You're absolutely right: There is no requirement to update it, but at least the buyer going in has the understanding of what then needs to be done in order to upgrade it to his or her standards that they might have. That particular process will motivate people, if they believe that there's value in energy audits and energy efficiency, to start to upgrade their homes more and more—

Mr. John Yakabuski: They can request that as part of the offer to purchase and sale—

The Acting Chair (Mrs. Carol Mitchell): Thank you very much for your presentation.

1410

TOWNSHIP OF BONNECHERE VALLEY

The Acting Chair (Mrs. Carol Mitchell): The township of Bonnechere Valley: Are you in attendance? Come forward, please.

If you could please state your name for the record. You have 10 minutes to make your presentation; then there will five minutes of questions that will be rotated amongst the three parties represented today. Thank you very much for attending.

Mr. Bob Peltzer: Thank you very much. My name is Bob Peltzer. I'm a municipal councillor of the township of Bonnechere Valley. I'm an immigrant to Canada. I've been here for about 23 years. I own and operate a business in Bonnechere Valley, so I wear a number of different hats.

First of all I'd like to thank the standing committee and particularly Mr. Yakabuski, who I understand was helpful in getting us into this hearing today. Otherwise, it would have been off to Sault Ste. Marie for us, which, as you would know, is quite a long drive. I looked down that list of other presenters here today and I kind of felt a little out of place. We're really the small fish in this particular sea, but we hope that you'll find what we bring to the table today worthy of consideration regardless of their origins from such a small source.

First of all, Bonnechere Valley has always been a developer of green energy. We produce clean hydro-electrical power right now, and we've actually just acquired a bit of land and do have plans to even expand our efforts in the future. We also have a number of property owners with contracts with the wind energy developers to produce wind turbines. We actually have supported every zoning bylaw change that's been required to establish the towers, and our council has been generally supportive of wind energy development and green energy in general.

We've had a lot of studies done on wind energy, and they kind of confirmed what we already knew: that Bonnechere Valley township and our area has one of the better resources for this in all of Ontario. Because of that, and because we do have some recreational and tourism properties that overlap that same resource, we felt as though we needed to really get up to speed on this issue.

We also have a significant number of recreational and non-participating property owners that have property in the vicinity of some of the better wind sites, and we felt as though we needed to look after their interests too.

So we've been involved over the last year or so educating ourselves, and members of our council have toured wind turbine installations in Prince, Kincardine, Huron-Kinloss, Shelburne, Ripley and other areas to try to bring ourselves up to speed. We haven't just taken for granted what we've read on the Internet. We've also met with energy developers—Brookfield Power, SkyPower, Air in Motion and others—to try to hear that side of the issue.

We've also listened and read almost everything we can find on the subject: reports, studies from our government and from other areas. We've even gone so far—at least, two of our council members have—as to correspond with Dr. David Suzuki to make sure we got the complete picture on this issue.

Throughout this process, we've developed an understanding that we thought would allow us to have made a fair and honest decision on the zoning issues we have been called upon to decide, with a bit of assistance from some provincial ministries, if this process had been allowed to continue. We were, simply put, willing to work with the province to bring wind energy developers and concerned citizens together in the same way we have with controversial undertakings throughout our municipal history. The people of Bonnechere Valley have always shown their ability to do this. Frankly, we think that Bill 150 needlessly throws away this heritage by removing the decision-making powers from those who live most closely to those decisions.

I'd also like to let you folks know that we're not NIMBYs out in Bonnechere Valley. As a matter of fact, a lot of folks resent it when we hear politicians at any level of government use that word to refer to people who are raising concerns. Yes, we've got some people in our township who are hysterical. We've got some people in our township who will oppose almost anything. But we've also found that the majority of people who ask questions are very supportive once their concerns are addressed. We've found that, while they may not always agree with our decisions, they realize that we will listen to them and try to find some common ground, if common ground can be found. While we don't always decide the things the way that people want them decided, people usually walk away knowing they got a fair deal out of us and knowing that we've got to live with the decisions that we make, just as they do. However, it looks like Bill 150 is going to take that away. If it does, we're hoping you're going to at least keep some things in mind from a municipal perspective.

In our studies and our talk with the municipalities, we found a few areas that we'd really like to see Bill 150 continue to look at if you are determined to remove municipalities from the process. Roads are a big one. Almost every municipality that I spoke to said that roads were a major concern. They found the need to do a road

study both before and after the major development took place. These are large pieces of equipment, much larger than we ever intended for the generally residential and agricultural roads that they're going to be going over. They tear up intersections and do tremendous damage to the structure. Unfortunately, if we no longer have the power to negotiate with wind energy companies, we need somebody to look after those things in our favour. We're hoping that Bill 150, or the regulations that put it into effect, will allow those direct negotiations with wind energy companies to continue with municipalities so that we don't necessarily develop wind energy at the expense of our taxpayers who have to repair the roads.

Property values are another issue, and I guess you may have heard this from other people today, so I don't need to spend much time on it. But one of the things we have found is that the wind energy companies are really good at dealing with people who have the sites where they want to erect the turbines, but they don't necessarily consider the other sites nearby where they might have an impact. A turbine does have an impact over an area of more than just its footprint on the ground, and there hasn't really been anything to compel them to talk to maybe the adjoining property owners or property owners who are in an area of influence around a turbine. We feel as though this isn't fair.

One of our concepts, whenever we've looked at zoning issues, has always been to make certain that whenever somebody wants to develop something it doesn't have a negative impact on his neighbour without there being some compensation or agreement on the part of the neighbour to allow that to happen. We're suggesting that Bill 150 take a look at this and determine an area around a wind turbine site where there should be negotiations with people other than just the people who are hosting the properties.

Municipal compensation: If these things are going to go over municipal land, they're going to need rights of way. We need to have some mechanism to be able to negotiate with them. We're not sure that Bill 150 is going to allow that.

Decommissioning: If I can just take a second of your time here, we've got a story to tell on this one. Bonnechere Valley township was host to a large government installation as part of the Pinetree Line radar bases back in the 1950s. It was in Foymount, and it was decommissioned in 1974. The government basically wound up turning it over to private interest to run. There were a lot of buildings there, not all of them particularly suited to municipal residential purposes. Over time, these buildings have fallen in disrepair, and due to back taxes, a lot of them came into municipal possession. The cost of tearing them down and disposing of them constituted such a large expense that today they still sit there, slowly decomposing. We don't want the same thing to happen to green energy projects that, for whatever reason, run out of steam or become an economic liability to the corporation that owns them. Today, we've got a beautiful mountain top that would look a lot more beautiful if we didn't have some of the rusting hulks of the Cold War era

sitting there. We're asking that Bill 150 establish provisions for government-controlled decommissioning funds to ensure that today's good ideas don't become tomorrow's rusting eyesores.

Safety concerns: I think you've probably heard about that from other people today. The only thing I would like to add, maybe, to the things they said is that everything I've heard from people in our township said that if people, particularly the province, just gave them good, science-backed information to back up the guidelines they're putting in place, most of them would be happy with it. But when you look at most of the studies that you see, they're usually financed by either one side or the other. Where are the fair and impartial studies that should be establishing the guidelines? Where is this information being communicated to people?

A good deal of what we hear is based on a lack of information, and we would think that the province should be able to deal with that. Most people, once they trust the source, if it comes from an unbiased study, are generally willing to accept the results. It's only when they're told, "Trust us; we know what's best," without proof, that they become a bit suspicious.

Emergency response: One of the hats I wear is as captain at a fire department, and I've talked to some other fire departments on these issues. During the construction stage, the developer looks after this issue. But after the project is commissioned, it's turned over to be run as an operating wind energy or solar energy project. It's the local community that usually takes over emergency response, and frankly, we're not trained to work in some of these areas: high-angle rescue, rescuing a person who may have suffered a heart attack or broken ankle at the top of a wind turbine tower, or the special hazards we'd have to look at around a solar installation are things that should be looked after. We strongly recommend that the companies that develop these things provide equipment and training for local emergency response, firefighters and ambulance crews that will have to go on these sites.

1420

The Acting Chair (Mrs. Carol Mitchell): I just wanted to remind you that you have about 30 seconds left.

Mr. Bob Peltzer: And I will probably not take any more than that.

Tourism: We made a presentation to the Honourable Monique Smith. I have a copy of it in the packages that I've given to you, which you can refer to at your leisure. I'll say no more on that.

Inspection: Our building inspectors will need special training and will likely be involved with additional expense. We're hoping the Green Energy Act will allow us to pass on those expenses.

Assessments: The only thing I can say about that is, the way it's set up, a \$46-million wind energy project pays one quarter of the property taxes paid by a \$750,000 lumber mill.

The Acting Chair (Mrs. Carol Mitchell): Thank you very much for your presentation. I'll now move to the rotation of questions. We'll begin with Laurel.

Ms. Laurel C. Broten: Thanks for being here today, Bob, and thank you for a thoughtful presentation. I don't know if you've had an opportunity to consider or look at the presentation put forward by AMO, the Association of Municipalities of Ontario, this morning. They came forward with an idea with respect to a municipal services permit, an amendment proposed to the legislation whereby a municipal services permit would come into place at the end of the approvals of a renewable energy project, sort of sandwiched between the MOE approvals and then the building permit process, to look at some of the localized issues. I wonder if you have any comment with respect to that suggested approach.

Mr. Bob Peltzer: Unfortunately, I have not had a chance. I spent quite a bit of time trying to digest Bill 150, and frankly, I just got a copy of the AMO report two days ago. I'm certain that our municipality will look at that and provide comment.

Ms. Laurel C. Broten: Okay, thank you. If you can make sure that we have whatever information you'd like to send along to us, that would be great.

Mr. Bob Peltzer: Thank you.

The Acting Chair (Mrs. Carol Mitchell): John?

Mr. John Yakabuski: Thank you for joining us today, Bob. There's so much good stuff in your submission, but we do have limited time, so I'm just going to confine it to a couple of things with regard to your municipal role.

Some municipalities see this act as the thin edge of the wedge with the usurping and the removal of the decision-making authority by local government, and I'll ask you about that in a second.

Are you also aware that there's a section of this act, schedule A, subsection 4(2), that prohibits, or renders null and void, any agreement between two parties? Let's say I purchased a piece of property from you, and there was a restriction on it that there would not be a renewable energy project or a wind farm on it or whatever, and I bought it from you under that understanding. This bill allows the minister to go in and overrule that basic property right, that you bought something with an understanding between two parties. That's in the act.

Again, more about the municipal powers, because you, as a councillor, would be best able to comment on that: There are some who are concerned that this is the thin edge of the wedge, and down the road there will be no need for municipalities because the province is going to make all your decisions for you.

Mr. Bob Peltzer: I do think there is that fear on the part of municipalities. I don't think the province, if they were to go that way, would realize a good result. Municipalities have carried a large load for the province over the last 150 years. For the province to be able to provide the services to the degree municipalities do, I stagger at what the cost would be and what the result would be. We are very good at creating solutions to problems. We're very good at bringing together two sides that are at war with each other. We're not always suc-

cessful, but boy, they really like the results most of the time.

The Chair (Mr. David Orazietti): Thank you very much.

Mr. John Yakabuski: Thank you, Bob.

The Chair (Mr. David Orazietti): That's time. Mr. Tabuns?

Mr. Peter Tabuns: Bob, thanks for the presentation. It's well put together. One question I have is on emergency response and your suggestion that a green energy facility pay extra funds to make sure that any emergency response is dealt with properly. Do you have that in place for any other industry in your community?

Mr. Bob Peltzer: At least in our community, we don't have any other industry that presents any unique set of problems that we wouldn't normally face. The timber industry—a lot of the guys on our emergency response team have worked in that before, so they're familiar with the pitfalls and problems peculiar to that industry. With things like, for example, hydro and propane gas installations, they do provide training for us. When we talked particularly to Huron-Kinloss and Kincardine, they found that it was essential that their people be trained in high-angle rescue with regard to wind turbine installations. Solar, I don't know. I think there'd be more of a danger of us maybe damaging something if we were to attempt a rescue effort there. Obviously, we're used to working around voltages.

Mr. Peter Tabuns: That's very useful. Thank you.

The Chair (Mr. David Orazietti): Thank you very much. That's time for your presentation.

Mr. Bob Peltzer: Thank you very much.

LANARK FEDERATION OF AGRICULTURE

The Chair (Mr. David Orazietti): Our next presentation is the Lanark Federation of Agriculture.

Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from committee members. Please state your name for the recording purposes of Hansard, and you can begin your presentation when you like.

Ms. Andrea McCoy-Naperstkw: Thank you very much. My name is Andrea McCoy-Naperstkw. I'm president of the Lanark Federation of Agriculture. This is my colleague Lillian Drummond, who is a director of the federation.

The government of Ontario has taken a step to ensure generations to come will live in a clean, healthy Ontario. The Lanark Federation of Agriculture and its membership are here to work with our provincial government to ensure that the environment, nature and our rural life are healthy and here for generations to come.

The introduction of the Green Energy Act proposes to boost investment in renewable energy projects, increase conservation and create green jobs and economic growth in the province. We, as members of the Lanark Federation of Agriculture, see it as an opportunity for the sus-

tainability of the agricultural industry in Ontario while maintaining the fundamental objectives that the Ontario government is proposing through the GEA.

The Honourable George Smitherman, Deputy Premier and Minister of Energy and Infrastructure, stated, "Our ambition is to increase the standard of living and quality of life" of all Ontario farmers. "This is best achieved by creating the conditions for green economic growth." Green economic growth is something that the agricultural industry in Ontario has been a part of since the foundations of this province were set. Farmers and rural agricultural businesses worked with the environment long before it was the fashionable thing to do. We have a very close relationship with Mother Nature and have taken on the stewardship of the land as it was passed down by our parents. Travel around Ontario and you will see the new generation of farmers and agribusinesses carrying on the family tradition.

When you, provincial members of Parliament, start building a stronger, greener economy with lasting, well-paying jobs, do this by helping local communities to build, own and operate their own renewable energy projects. Please remember agribusiness and work with respect and listen to the leaders and representatives of the Ontario Federation of Agriculture. We can contribute to meet your objectives and make this bill successful by developing renewable energy projects.

As a start and based on some very rough guesses, farms may be able to contribute biogas from manure—3,500 to 5,000 units of approximately 200 to 250 kilowatts each, on average, for a capacity of between 0.7 gigawatts and 1.25 gigawatts of peaking capacity well distributed around the province. Each of these units can add over \$30,000 in net income on the farm.

Biomass: At present, Ontario farmers can produce about 50 million tonnes of biomass a year without disturbing food production. This would be sufficient to run about two gigawatts of peaking capacity. This could be used on its own or co-burned with natural gas at existing fossil fuel plants or as supplemental heat to provide peaking capacity from nuclear plants. Longer-term and with suitable prices, Ontario farms can likely provide 16 million tonnes or more of biomass annually. At a two-million-tonne-per-year level, this would add over \$30 million to annual net farm income in Ontario. That is a 5% take-home raise for farmers. In addition, it would reduce CO₂ additions to the atmosphere by approximately 165 million tonnes each year and bring the levels of NO_x, sulphur and mercury released down by a factor of over three.

Wind: Most farms do not have good wind. Nonetheless, Ontario could easily have 7,500 to 10,000 wind towers. As has been said many times, this is expensive, unreliable electricity. On the other hand, it is a clean, low-cost replacement for auto or light truck fuel. So a Green Energy Act that enables wind as fuel and a Green Economy Act that enables electric cars can be a balanced step forward for Ontario.

Solar heat: For a one- to three-storey building, solar heat can provide an effective space- and water-heat re-

placement. On farms, we anticipate that the cost of heat for pork and poultry barns can be reduced by approximately 70% using solar heating.

1430

Solar electric: Farmers are worried about losing good farmland to solar farms. One hundred acres can provide a 10-megawatt solar farm or it can produce 500 tonnes of corn, sequester 200 tonnes of carbon and produce 200 tonnes of residual biomass for fuel, which in turn displaces 70 tonnes of carbon from coal. Solar electric is fine on buildings and maybe even on fence rows—and a 100-acre farm would have over two miles of fences—but should be avoided on good farmland.

In consultation with our municipal government and through local community liaison co-operation, we can develop good, green solar projects on marginal farmland respectful of distances from rural residents that will promote a greener energy source and financial alternative to agribusinesses.

The Lanark Federation of Agriculture, part of the 38,000 members of the Ontario Federation of Agriculture, is behind our representatives and leaders. We are proud to be part of a bill that has the potential of ensuring a greener vision for future generations of Ontario. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Yakubuski, questions?

Mr. John Yakubuski: Thank you very much, Andrea, for joining us and presenting today. We've had the pleasure of having a number of submissions and deputations from the OFA, as a governing agency, and also from its members, and we appreciate your input with respect to support and concern for the Green Energy Act. I think that it's important that we hear all of those sides, because we tend to only hear one side of it when we're getting it from the government. Their plan is to promote this the way it is, and—hopefully we might see some amendments in some of the things that the OFA and people like yourselves have proposed. We do hope the government is listening because there are some things that can be done that can actually help the agricultural community. There are opportunities in the act for those in the business of farming. I don't think anybody in the country is unaware of the challenges in agriculture today, so things that can be done to help them—certainly, we're there to try to support you, and hopefully the government is listening as well.

Ms. Andrea McCoy-Naperstkov: Thank you very much.

The Chair (Mr. David Oraziotti): Mr. Tabuns?

Mr. Peter Tabuns: Andrea, I want to add my thanks to you as well for coming down and making the presentation. I assume that the act has been discussed among members of your federation. Is there substantial interest in getting involved in green energy production among your members? And if so, in which particular area are they interested?

Ms. Andrea McCoy-Naperstkov: Yes, I believe there is a real desire to be part of this. As I stated here, I

think it's indicated that we're not biomass, manure production, wind or solar, that in any of those areas we've had different people interested in doing different things. So I think basically what we want is the chance to be part of it, and in being part of it, let's try to see how many different ideas we can get and what we can do to keep it going.

Ms. Lillian Drummond: Just to add to that, it's seeing that there are opportunities, but with the opportunities there also have to be buffers away from other businesses, residences. I think the member that we heard just prior explained a lot of the problems that can come from new projects. In farming, products that used to be considered waste products can now be used and we have the opportunities that we didn't have before. But for certain things like the solar and so on, there is concern out there that these have been put into agricultural zones and they are going to eat into the dwindling resource we have. We can't continue to reduce prime agricultural farmland. We've seen too much of that going to residences and other areas. This is just another area we're concerned about, that when you get solar power or wind turbines, they're going to go into areas and eat away and erode our agricultural land. Even if they're not on agricultural land, the buffer zones that we need away from these projects have to be considered because, again, that does eat into our land if the buffer zones are not properly—

The Chair (Mr. David Oraziotti): Thank you. That's time for questions. Mrs. Mitchell?

Mrs. Carol Mitchell: I sincerely want to thank you for your presentation today. I can hear the enthusiasm right through the paper—not only through your voice but through the paper—for what you think about the Green Energy Act and the ability for it to enhance the capacity for our agricultural community, our rural way of life. We really do see it as an opportunity, and that's what I hear from you ladies today, so I want to thank you.

We know and we recognize that there are some outstanding issues that you have clearly addressed. Staged pricing is one of them, and distances of separation, just to name a few. One of the things we have a discussion about, and I wanted to get your opinion, is the conversation about using food for energy and the balance of that.

Ms. Andrea McCoy-Naperstkov: That's just what it is, a balance. If anyone knows anything more about food production from both ends of it, in the sense that we use our food to feed our animals and at the same time to put it toward energy or to put it toward human consumption, it's a balance that will change every year because, as I said in my presentation, we are great partners with Mother Nature. I think there have to be some allowances that look on an annual basis at how that balance is actually done, whether it's kind of through quotas or look at some way of equalizing and keeping all the parties happy, so to speak. It's not an easy thing to do.

The Chair (Mr. David Oraziotti): Thank you. That's time for questions.

Ms. Andrea McCoy-Naperstkov: Thank you very much.

The Chair (Mr. David Oraziotti): I appreciate it. Thank you very much for your presentation.

COUNCIL OF CANADIANS

The Chair (Mr. David Oraziotti): Our next presentation: Council of Canadians.

Good afternoon and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members of the committee. If you can just state your name for the recording purposes of Hansard, you can begin your presentation.

Ms. Andrea Harden-Donahue: Great. I'm Andrea Harden-Donahue, energy campaigner with the Council of Canadians. Thank you for the opportunity today to speak on behalf of the Council of Canadians.

The Green Energy Act contains many positive elements and recognizes the benefits of fostering a green energy economy in this province which will help address both the climate and the economic crisis. I will focus here today on identifying the risks we see posed by international trade rules to ensuring environmentally friendly, secure electricity for the benefit of Ontarians and options to mitigate these risks. This is relevant to your view of the Green Energy Act and the extent to which it results in regulations, continuing Ontario down a path of free-market-oriented policies in the electricity sector.

To provide some background, the Council of Canadians is an organization with members and volunteer chapters across the country. We work to promote progressive policies in areas such as fair trade, clean water, energy security, public health care and other issues of social and economic concerns for Canadians.

On energy security, our organization calls for strong policy in the form of a Canadian energy strategy based on the principles of energy security and ecological sustainability. We have identified how free trade agreements such as NAFTA and greater energy integration with the US can undermine these principles. In the past, international trade rules and US electricity sector regulations had very little to do with Ontario's electricity sector because it was in public hands. Market-oriented policies began under the Harris government. It has led to more private investment in Ontario's electricity sector and increased market integration. By this I mean better access to the US electricity sector. This has given these rules new relevance.

NAFTA and US electricity sector rules impose significant constraints on public policy and regulatory options that may affect trade with the US or the activity of foreign investors within Ontario's energy market. They give private investors significant rights. Examples include the prevention of export restrictions in NAFTA's investment rules, Chapter 11. With greater private sector involvement in the electricity sector and more market integration, these rules can pose risks to ensuring secure supplies of electricity for Ontario, fair prices, and that the benefits of renewable energy generation are felt in Ontario.

1440

Here are some examples. With higher electricity prices in the US, exports are an attractive option to the private sector. Already, private companies, many of which are foreign-owned corporations, do the majority of Ontario's electricity exports. If exports of electricity or attributes of it by the private sector increase, Ontarians may be forced to compete with US markets, driving electricity costs higher, with potential social consequences. With a growing willingness to pay a premium for clean power in the US, exports of electricity from renewable resources or its attributes will be particularly attractive.

The Green Energy Act proposes using advanced renewable tariffs as a key policy tool for fostering more renewable energy generation in the province. While government procurement contracts with the private sector provide some protection from the risks identified here posed by trade rules, these contracts do not entirely insulate Ontario or the Ontario Power Authority from investor-state litigation under NAFTA's investment rules. Also, it's important to recognize that when contracts with the private sector end, power generation remains in private hands, meaning that these rules and risks apply.

If regulation stemming from the Green Energy Act allows for private generation in private hands, subject to no procurement or relationship with the province or Ontario Power Authority, generators will be free to enter contracts for supply of energy or its attributes to US buyers. Here the identified risks become particularly salient. The extent to which the Green Energy Act results in greater private sector investment in the electricity sector determines the extent of the risks posed by these rules to ensuring secure supplies of environmentally friendly electricity to Ontarians.

There are options that mitigate these risks that are relevant to your review of the Green Energy Act. First, public and community power, including municipalities, local electricity utilities, individuals, First Nations and community-oriented, not-for-profit co-operatives, mitigate the constraints posed by trade rules. The Green Energy Act opens a number of exciting opportunities to promote community power. We are particularly excited about the opportunities that the Green Energy Act provides for municipalities and local generation companies regarding renewable resources. Opportunities for private generation remain. It is the opinion of the Council of Canadians that the Green Energy Act should work to foster investment that expands renewable energy generation in public hands because this is the best route to ensuring a sustainable and reliable energy supply for the benefit of Canadians and of Ontarians.

Second, interprovincial power-sharing agreements are virtually unencumbered by the constraints imposed by trade rules. Such agreements can also help to meet renewable use intentions within this province. In particular, prioritizing greater energy trade with Quebec holds significant promise. It can take advantage of the provinces' electricity demands peaking at different seasonal

times and synergies between wind power and natural gas generation and hydroelectric resources. This is also a cost-effective option. A recent report released by the Ontario Clean Air Alliance finds that the benefits of increased Ontario-Quebec electricity trade could provide the two provinces with economic benefits in excess of \$1 billion per year. These agreements should be considered under or in addition to the Green Energy Act.

Third, energy conservation and energy efficiency measures have great potential for reducing emissions and fostering a green energy economy. After all, the greenest energy available is the energy we don't have to use. A number of other organizations have come before you, outlining areas where conservation and efficiency measures can be improved in the Green Energy Act. To this we would add support for combined heat and power projects being included in the act. We also recommend supporting made-in-Ontario or made-in-Canada clean energy technology innovations both in the renewable energy sector and energy efficiency through procurement contracts using these technologies in the public sector. This is another way to meet ecological objectives and support local jobs. In the past, the Ontario Power Authority spent significantly more money on new electricity generation as opposed to conservation and efficiency measures. This should change under the Green Energy Act.

I'd like to add that the Council of Canadians supports other organizations such as Greenpeace in a demand that Green Energy Act subsection 5(1), which allows the Minister of Energy to direct the Ontario Power Authority to build new nuclear reactors without any public review by the Ontario Energy Board, be amended to prevent it from being used to enable the construction of nuclear reactors. The Council of Canadians is opposed to new nuclear developments which are not clean, safe, peaceful or economically sustainable.

In conclusion, the Council of Canadians encourages you to take seriously the risks and opportunities we have identified here in the review of your Green Energy Act. This includes the risks posed by international trade rules in ensuring secure supplies of affordable-priced, renewable energy generation for the benefit of Ontarians with greater private commercial involvement in power generation. The opportunities include the benefits of public and community power, interprovincial power-sharing arrangements and renewed efforts for energy conservation and energy efficiency.

Thank you for the opportunity to speak to you.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Mr. Tabuns?

Mr. Peter Tabuns: Andrea, thanks very much for that presentation. The section that you asked be amended, the one that, in your opinion and in the opinion of David Poch and others, is one that would allow the minister to procure nuclear-generated power. Do you have a legal opinion as well on that that backs up that concern?

Ms. Andrea Harden-Donahue: At this time, we don't have a legal opinion, but we do have the opinions

of others who specialize in areas of nuclear and spend a lot of their time in energy and understanding the effects of nuclear energy in Ontario. I think, suffice it to say, that any opportunities to expand nuclear energy in Ontario should not be pursued.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Orazietti): Thank you very much. Ms. Broten?

Ms. Laurel C. Broten: Thank you very much. You've given us a lot to think about in your presentation.

I'm wondering whether there are any specific, immediate circumstances that you can direct us to that perhaps have made your concern arise with respect to NAFTA trade agreements, or if the issue that you're raising is primarily something that we should be concerned about at the conclusion of an entered-into feed-in tariff if that feed-in tariff wasn't renegotiated.

Ms. Andrea Harden-Donahue: I think you can look to the oil and gas sector, which is primarily privatized in Canada, and see what's happened there since NAFTA. I think what you'll find is that primarily, energy is exported out of our country: close to two thirds of oil and 60% of gas. Meanwhile, Atlantic Canadians rely on imports to meet close to 90% of their oil needs. This is a significant disparity between what is produced in Canada and what is available in Canada.

We have concerns when it comes to energy security: What happens if there's market instability? What happens if there's political instability? What happens when the reality of diminishing energy resources, which is very proven, comes to bear on Canada? Are Canadians prepared for that? We would argue no. I think when it comes to the electricity sectors, what we're saying is that now is the opportunity to ensure that this doesn't happen when it comes to electricity. The vast opportunities to do that are what I outlined today: ensuring that it's in public and community hands, which are accountable to communities, to the government, to the people and the environment, and enhancing interprovincial energy-sharing agreements and focusing on efficiency. So I think the example that I would look to is the oil and gas sector in Canada, the insecurity that we have now, and opportunities to mitigate this in the electricity sector.

The Chair (Mr. David Orazietti): Thank you. That's time, Ms. Broten. Ms. MacLeod?

Ms. Lisa MacLeod: Thank you very much, Andrea, for coming in today. I had a quick question for you early on, and I regret that I don't have a handout, but you talked a little bit about what the Council of Canadians does. You had the three lines, about health care and other things. Could you repeat that for me?

Ms. Andrea Harden-Donahue: Sure. The Council of Canadians is an organization with members and volunteer chapters across the country, and we work to promote progressive policies on fair trade, clean water, energy security, public health care and other issues of social and economic concern to Canadians.

Ms. Lisa MacLeod: So social and economic concerns. The reason I wanted to make sure that that was

there is that this bill could, according to London Economics International, increase energy bills anywhere from 30% to 50% on consumers. That doesn't just mean the middle class, who are struggling right now; it also means those right now who are in dire need of assistance, either from the government or who are looking for a job. And I'm wondering how this bill fits the bill under your other mandate as a socio-economic engine in the province.

1450

Ms. Andrea Harden-Donahue: I would defer to organizations like the Green Energy Act Alliance that have quite a bit of information indicating that renewable energy sources will in fact not necessarily be more expensive.

On this point, what I would add is that, yes, of course, accessible and affordable energy should be a priority for any government when it comes to the electricity sector. Energy is of fundamental importance to people. Definitely, that should be a priority. But my read and my understanding, our understanding, is that renewable energy does not have to be expensive, and that there are—

Ms. Lisa MacLeod: Unless it's government-subsidized. Right now we pay [*inaudible*] a kilowatt. That could jump to anywhere between 45 to 56 cents per kilowatt. That would be hard-hitting on any low-income consumer, particularly those who are on fixed incomes, such as seniors.

One thing that I've taken away from the last month while we've been debating this piece of legislation is the economic impact it will have on Ontarians. I would encourage your group to look at that and see if there are ways that the government can assist.

The Chair (Mr. David Oraziotti): Thank you. That's time for questions and comments. Thank you very much for your presentation.

ENVIROCENTRE

The Chair (Mr. David Oraziotti): Our next presentation is EnviroCentre.

Good afternoon. Welcome to the Standing Committee on General Government. You have—

Dr. Dana Silk: Thank you, Mr. Chair. My name is Dana Silk. I'm the general manager of EnviroCentre.

The Chair (Mr. David Oraziotti): Go ahead and get started. You have 10 minutes, and five minutes for questions. You've been here and you have an idea of the process.

Dr. Dana Silk: Okay. You've been given a copy of the PowerPoint presentation—I'm not going to put it up on the slides—plus you have been given a sample copy of a home energy audit. You can certainly keep the PowerPoint presentation and send that around, but I ask that you not provide the copy of the home energy audit, because it is done on somebody's house. We did block out their names. I particularly ask you not to give it to any journalist from the Toronto Star. That's an inside joke.

On the first page of the PowerPoint presentation, you'll see that EnviroCentre has considerable experience helping low-income households in Ontario, whether they're heated with natural gas or electricity. In fact, we've facilitated investments of almost \$2,000 in over 500 low-income households. Recently, we've been working with Enbridge. We've brought postwar homes, 50-year-old homes, up to current Ontario building code standards, and they're now saving \$500 a year.

That little graph there with the blue bar charts: That's the actual reading of somebody's electricity bill before and after we went in and did the retrofits. You can actually see measured results of reductions in their electricity consumption—in this case, about 7,000 kilowatt hours a year. They're saving about \$800 a year. These are very cost-effective investments by utilities in the province.

Down at the bottom, you can see the CEO of the second-largest social housing agency in Ontario, Minister Madeleine Meilleur and some officials from Enbridge. We are able to bring these actors together—actually, in basements.

So our experience over the last number of years in various low-income homes—but also in 10,000 ordinary homes—indicates that we have facilitated the investment of about \$30 million in energy-efficiency upgrades.

Why is that important in the context of this bill—which, by the way, we strongly support. We're a little nervous about the regulations, the details; the devil can be in the details. We strongly support this bill because green investment creates nearly four times as many jobs as spending on oil. A recent study in the US, done, I think, by the new administration, indicated that if what they were doing in the US were applied to Ontario, we could in fact generate 65,000 jobs by not spending on oil, or coal, probably.

If we had done what California has done over the last 30 years, we could have generated 450,000 full-time-equivalent jobs in Ontario. That's a lot of jobs. California has done that because they've been investing in the kind of Green Energy Act work for almost 30 years now.

In terms of investments in green infrastructure, what we really need to do is retrofit all social housing units in the province, because the province is paying for a lot of the energy bills. We need to persuade Minister Baird to remove the cap. Currently, social housing agencies in Ontario can benefit by up to \$1 million per agency from the ecoEnergy program, and we need to remove that cap. It's an average, and it makes no sense. We need to persuade—or you need to persuade—Minister Raitt to include electricity and perhaps exclude furnaces from the program. We could get into that if somebody wants to. We need to install energy-efficient appliances in social housing units, especially if they're made in Ontario. We need to update the OMB, the OEB. We need to do to some of the other organizations in Ontario what the Green Energy Act is doing on the energy side.

What have we done over the last 10 years or so? We have delivered over 10,000 EnerGuide for houses or

ecoEnergy evaluations. What do these things do? As you see in your report, they provide an estimate of the energy costs based on standardized conditions, not behaviour. Thus, they're an ideal way to compare homes. They disclose information from an independent source—and I think that's one of the reasons why the real estate industry just doesn't like this, because it will no longer allow the real estate agents to get away with saying, "Oh, this house is easy to heat," without telling the prospective buyers, "Those people were never home during the day," or, "There was hardly anybody living in that house anyway." More importantly, these reports enable informed decisions based on the total operating costs and the capital costs. And they do help owners improve their home equity by investing in cost-effective upgrades. You'll see from the photo there, one of our guides—one of the main benefits of this program is that it includes a Canadian technology: It's called a depressurization test. It includes the blower door, and it provides very scientific data on the house.

If you turn the page over, you'll see in the report that what everybody gets is a bar chart showing the level of the energy efficiency of their house before and after, and what should be done.

What have people actually done? We've got lots of data on what people actually do and how much they invest. In fact, the average investment, 61%, is about \$3,000. So for the real estate industry to scream and holler and say the sky is falling and they can't afford these upgrades—we can afford these upgrades.

Up until last week, I'd never heard of the Ontario Real Estate Association. It may want to oppose this bill, but when it starts spreading misleading information about my profession, I don't like it. The mandate of the Ontario Real Estate Association, according to its website, is to "maximize business opportunities" for its real estate agents. It's not to provide an accountable, transparent real estate industry in Ontario, and I think that's very regrettable.

If you read through this, you'll see that the Ontario Real Estate Association is running out of adjectives to describe the costs of this program. In fact, it only costs \$200 to do this. There is no obligation to do any retrofits. In its document, OREA mentions the \$150 rebate from the province of Ontario, which is a good thing, but forgets to mention that everyone who gets one of these things done, either the buyer or the seller, could also qualify for up to \$10,000 in grants. OREA forgot to mention that.

OREA goes on and on about how most homeowners will not recover retrofit costs through rebates and energy savings. That's simply nonsense. The ecoEnergy program only recommends cost-effective upgrades, and most of the upgrades that we've been recommending over the last almost 10 years now are highly cost-effective. They pay for themselves, on average, within two to five years.

OREA also falsely points out that home audits do not apply to individual condos. That's not true. We've done

hundreds of individual condos—mostly low-rise, of course.

OREA also goes on and talks about how this program would restrict labour mobility. It raises fears about insurance companies charging more. That's simply not true.

One of the biggest complaints I have with OREA is that it pretends it wants to promote voluntary home energy audits. If that is true, I ask, where has the real estate industry been for the last 10 years? Every time we've tried to get the real estate industry involved on a voluntary basis in this program, they have said, "No. We don't want to do that. It simply represents another obstacle to a sale. What we want is a quick sale and to close the deal so we can get our commission."

1500

Has this been done before, you might ask? Yes. In 2003, the European Union passed similar legislation to require home energy audits not simply on existing buildings but on new buildings and perhaps, importantly—it goes further than this legislation—on houses that will be rented or leased.

In terms of capacity, do we have the capacity to do it? Of course we do. Last year, the latest figures indicate that 130,000 home energy audits were conducted in the province of Ontario. Even according to OREA, they're saying that 213,000 houses sold last year. So we have already the capacity in Ontario to do more than half the average number of homes that are sold every year.

The Acting Chair (Mrs. Carol Mitchell): I'd just want to let you know that you have about 30 seconds left.

Dr. Dana Silk: Forty-four—sorry.

The Acting Chair (Mrs. Carol Mitchell): You're not allowed to argue with the Chair.

Dr. Dana Silk: Sorry. In terms of capacity, as I said, EnviroCentre has done over 10,000 in eastern Ontario. This week, in fact, I met with the Ottawa chapter of the Ontario Association of Home Inspectors, about 40 or 50 guys. They're lining up to get trained and to deliver this program. We expect to double our team to probably 30, maybe 40 advisers by the end of the year.

In the last photo that you've got, those are some of our advisers. What you'll see is that they are all young professionals. They're ready to build a professional career in this field.

Thank you, Madam Chair.

The Chair (Mrs. Carol Mitchell): Thank you. We shall begin the rotation with Phil.

Mr. Phil McNeely: Thank you, Mr. Silk, for coming in and making that presentation today. The Conservative party in their platform in 2007 supported the energy audits. It's right in their platform, and I think they were right then.

I think that the federal government in 2004-05 identified home energy retrofits as low-hanging fruit, the best bang for the buck on conservation. If you can get this low-cost conservation in our energy mix, which has gone back to the OPA and will be coming forward again—the minister directed them to have more con-

servation, more renewables and more conversations with the First Nations. But when that comes back, I think that the conservation is going to be very high. The nice thing about this: Your home is cosier, your energy savings pay for the retrofits, you create jobs, and it's all good things.

You've been doing this for five years, 10 years?

Dr. Dana Silk: Ten years.

Mr. Phil McNeely: How good is the energy rating in the industry, and does it require some changes? These were some of the things we heard today.

Dr. Dana Silk: You mean the actual program that we've been using? The software started to be developed by CMHC almost 30 years ago. It's a very good Canadian technology. It's an excellent program. Of course, there are always some bugs in it, but we're making significant improvements, and EnerCan now has an enormous database.

It's true that, in general, we know how to make houses more energy-efficient, but every house is different. Houses may look similar from the sidewalk, but every house is different. That didn't used to be the case 10 or 20 years ago. So the blower door test, to go into each house and measure that house, is extremely important, particularly because of the health and safety issues related around inadequate ventilation.

The Acting Chair (Mrs. Carol Mitchell): Thank you, and we'll move on to John.

Mr. John Yakabuski: Thanks for your presentation, although I do have some problems with it. You talk about energy audits not being done—where are they or where has it been with respect to OREA? Yet, 130,000 audits were done in Ontario in 2008-09, which would indicate that, on a voluntary basis, it is working; yet there's no requirement after an energy audit is done to proceed with any upgrades. It simply gives you a score. So I'm not sure how that improves energy efficiency.

I must say that I find your attack on real estate agents and professionals and OREA as a group somewhat tasteless. My wife's a real estate agent and I found some of the things you said quite insulting.

Dr. Dana Silk: Well, if I may, I didn't attack the agents; I attacked their lobby organization. My understanding is that OREA does not represent and they have not adequately consulted their members on this point.

The Acting Chair (Mrs. Carol Mitchell): Thank you. We'll move on to Peter.

Mr. Peter Tabuns: Dana, thanks very much for the presentation and the data you've put before us. Two questions: The report that you cite on page 2 of this hand-out about job creation potential—could you give us the name of that report?

Dr. Dana Silk: Yes, I could.

Mr. Peter Tabuns: Okay. I'll wait until you're finished.

Today, when we were given a presentation by OREA on the audits, they made the argument that if you have the audit done before the home is sold, then you have to have it audited again under the new owner, if one wants

to apply—shaking your head is not good enough for Hansard, I'm afraid.

Dr. Dana Silk: Oh, I'm sorry. The audits are actually on the home, not the owners.

Mr. Peter Tabuns: Fine.

Dr. Dana Silk: We've had a couple of cases where very good owners have sold their home and left the report with the new owners, and the new owners call us up and say, "We've got this report. It says we should do this. If we do this, will we get the money?" And the answer is yes.

Mr. Peter Tabuns: Okay. So there is no legal change that has to come about to make sure that we don't have unnecessary audits?

Dr. Dana Silk: It's a little more complicated now because of the property tax information, but the point is—

Mr. Peter Tabuns: Notwithstanding—

Dr. Dana Silk: That's not an issue, no.

Mr. Peter Tabuns: Okay. And you don't see any difficulty in ramping up the availability of auditors to make the demands, should this be made mandatory?

Dr. Dana Silk: Not at all.

Mr. Peter Tabuns: Fine. Thank you.

The Acting Chair (Mrs. Carol Mitchell): Thank you, Dana.

Dr. Dana Silk: Thank you.

PEMBINA INSTITUTE

The Acting Chair (Mrs. Carol Mitchell): I would ask the next presenter to come forward, please: Pembina Institute.

If you could please introduce yourself, you will have 10 minutes for your presentation and then we will begin the rotation amongst the three parties, and that will be five minutes.

Mr. Tim Weis: Thank you. My name is Tim Weis. I'm the director of renewable energy and energy efficiency at the Pembina Institute. I apologize for not having my presentation available in advance. I'm just going to give you a quick introduction about myself and the work that I do, and a little introduction about the Pembina Institute so you can have a context of the comments I'm going to make.

I'm a professional engineer. I currently direct the renewable energy program at the Pembina Institute. I've done master's degree research on ice secretion on wind turbine blades and I'm currently doing Ph.D. research on remote community issues.

The Pembina Institute is a non-profit group. We're independent and non-partisan, and we're based all across the country. We have offices in four provinces and the Northwest Territories, so we're one of Canada's largest environmental NGOs. We do all sorts of research papers, all of which are available on our web page, but one of the things we also do is we do work out in communities and we do work particularly with small communities and remote communities.

These are some examples of some of the work that I have done in remote First Nations: for example, helping develop small-scale hydro and small-scale wind power. So I do have experience from actually developing these projects on the ground and not just sitting at a desk.

This is a list of all the different communities that we've worked with, developing renewable energy projects across the country. Most of our work has been based in western Canada, but you can see that, recently, we have been doing some work particularly in northern Ontario.

So that's kind of the context I want to talk about. I'm only going to hit on three points today with respect to the Green Energy Act. I recognize there are all sorts of other groups that have discussed many other issues, so I don't want to dwell on some of the other issues the other groups have touched on. But the three things I do want to touch on are: basically, to say congratulations on tabling this bill; I do want to talk about the issue of tiered rates; and to touch on remote communities.

I want to say congratulations on having tabled this bill. As someone who travels across Canada working on renewable energy issues, I can say that this is, bar none, the most progressive renewable energy bill that we've seen Canada or in North America in the last 20 years. I was recently in Prince Edward Island, southern Alberta and northern Saskatchewan, and I can tell you that there is a buzz created across the country by having introduced this bill. People are very excited about it, and the one question I get when I go into my speaking events is from students saying, "Where can I get jobs in renewable energy? I want to get into renewable energy. I want to get into the green economy. Where can I go?" And the answer is, "Right now, probably Ontario is the place to be." So there is a lot of excitement.

I want to say it's great, what's being done, but it's also important that you get it right. This is a precedent that's being set for Canada, it's a precedent being set for North America, so it's important—there is work to be done to make sure that it's done right.

1510

I think the other point I want to make is that Ontario needs to be supported. I think people around the room here need to recognize that the federal government needs to step up and play its part in this as well. Ontario has taken a great step forward and the federal government needs to support this work.

The point that I'll draw you to is the most recent—if we compare the American budget and the Canadian budgets that have both come out in the last few months, President Obama is set to invest six times more per capita in clean energy than Canada. So right now, we've got Ontario taking the lead and we don't have the federal government working in lockstep. I would encourage you to make sure that you are going to be supported in the work you're going to do. Particularly if we're looking to redevelop Ontario's manufacturing base around renewable energy, we need a bigger market than just Ontario. Ontario, obviously, is a big market, but we do need to

draw in the other provinces and the rest of the country if we want to really create a sustainable market.

I want to touch on the issue of tier rates. Having looked at Europe and feed-in tariff models that have been very successful there, make sure the rates are tiered for encouraging different technologies, different sizes of technologies, and really recognizing the difference in resources so that you encourage development across the province and not just—wind energy is the obvious example. If there's one rate for wind energy, we're going to see all the wind energy development in very specific areas, whereas if you tier those rates to recognize resource diversity, you not only make the opportunity more democratic in terms of who can be involved, but also help to balance out some of the variations on the loads. Germany has done that very, very well in encouraging development all across the country. I would encourage that to be something to be looked at very seriously.

The one point that I want to dwell on a little bit—and not because this is necessarily the most important point, but I think this is a point that probably no one else has really hit on—is the fact that the Green Energy Act doesn't really do much for remote communities and the communities in northern Ontario that are dependent on diesel power. This is, by and large, what happens in these communities: They're often forgotten about, whether it's federally or provincially. These communities not only have very expensive fuel; they also run the risk of air pollution and diesel spills. I've worked with a lot of these communities personally and they're very excited about trying to get off of diesel and trying to create local, sustainable options.

What I can say is that the technologies have really changed. In the last three to five years, there's been a huge advancement in remote technologies, and now really is the time to help those communities. However, there's no current provincial support and there's no current federal support anywhere in Canada, with the exception of British Columbia, which has recently—BC Hydro has a remote community village electrification program, and I think that would be an example that Ontario could look at.

That's not to say that that's not going on globally. Governor Palin in Alaska, for example, is investing a quarter of a billion dollars in renewable technology for remote communities. The precedent is there internationally to support remote communities.

Another important thing is that half of the manufacturers, particularly of remote community-scale wind turbines, are actually Canadian, several of which are based in Ontario. Almost all of these manufacturers export their wind turbines out of Canada because there simply isn't a market here for them. Because of the investments we're seeing globally and particularly in Alaska, we're at risk of losing some of those manufacturers and we're at risk of losing some of the technology that we've developed here in Canada. I think it's important to try to foster the manufacturers we already have in Canada and in Ontario.

There is a huge export potential, not just into the United States but just in terms of rural electrification globally. But if we're going to be exporting, I think we really need to develop the technology in Canada and perfect it here in Canada, and the remote communities of northern Ontario are an ideal place to start. Some of that work has started on a pilot project, but there isn't an all-encompassing bill like the Green Energy Act that would really be open to all remote communities to take advantage of. I'll just highlight that the international wind-diesel conference, which happens every year, is happening in Ontario this year.

To sum up, I'd like to say that the Green Energy Act is an impressive and important piece of legislation. I again congratulate the Ontario government for tabling it, but there's still work to do. Don't be afraid to iterate it and update it. The work that we've seen in Europe—in Germany, in France and Spain, which all have feed-in tariffs—is continually updating, continually looking back and improving the bill. Going forward, it's not a fait accompli once it's passed, but making sure it's continually updated as we go forward.

With that, I'll take your questions.

The Acting Chair (Mrs. Carol Mitchell): Thank you for your presentation. I'll begin the rotation with Lisa.

Ms. Lisa MacLeod: That was a very fascinating presentation. I want to thank you very much for it. I would like to know if you could just explain a little bit more about that significant investment that's happening in Alaska, if you could elaborate on it.

Mr. Tim Weis: The quarter-billion dollars? The government—

Ms. Lisa MacLeod: Is it a quarter million or is it \$25 million?

Mr. Tim Weis: A quarter billion.

Ms. Lisa MacLeod: A quarter billion? Okay.

Mr. Tim Weis: Yes; \$50 million per year for the next five years.

Ms. Lisa MacLeod: I thought you said "million." Okay, so it's a quarter billion.

Mr. Tim Weis: So the way it's being done is \$50 million per year over the next five years into a remote—basically wind-diesel hybrid systems; not exclusively, but it's basically creating a fund that these communities can use to apply to as capital cost grants or a financing tool.

Ms. Lisa MacLeod: Do you have any background material available for this committee on what the public reaction has been to that, or has it been well received by the public?

Mr. Tim Weis: That's a good question. I don't know what the public reaction in Alaska has been. Alaska is obviously a pretty unique place where you have a huge concentration of the population in a couple of cities and then all these remote communities, and this fund is really directed at the First Nation or basically the native communities. They're all scattered across the state. By and large, there's been quite a bit of support for it, from what I understand from having been in Alaska just last year. The idea is basically using a non-renewable resource to

fund a renewable future, and that's the way it's been cast and supported. But I don't have studies on the exact public polling numbers.

Mr. Peter Tabuns: Tim, thanks for the presentation. The wind-diesel hybrid: How much diesel operation can be offset with the wind? Can you get more than 50% or 60% reduction in diesel consumption?

Mr. Tim Weis: There's a case in Australia right now where there are 95% penetrations of wind and there's a community in Alaska that's running at very close to 100% wind. Everything is possible. It all depends on how much money you want to put into it.

Mr. Peter Tabuns: Right, and what the wind regime is like in the area.

In terms of the programs that have been successful, the ones that set the feed-in tariff according to resource intensity, technology, scale etc.: Do you have any comment on the way we should differentiate in Ontario on the feed-in tariffs in terms of resource intensity?

Mr. Tim Weis: If I understand your question, I think the simple answer is that you give more money to where there's less wind, for example, or where there's less sun, and less money to where there's a good resource. It seems a bit counterintuitive but, again, the benefit of it is that it makes it more accessible to everybody. But it also has an actual system benefit, where you're not concentrating all of the generators in one area so they're not all subject to the same weather system. So it actually has a system benefit as well. You might think you're paying a little bit more, but you're not seeing the same rate fluctuation when the winds come and go. I'm using wind as an example, but you can do it for all sorts of different technologies.

Ms. Laurel C. Broten: I'm wondering, Tim, whether you have specific recommendations with respect to amendments you would propose to the Green Energy Act to reflect the advice you've given us not to forget the northern isolated communities who are dependent on diesel or whether your suggestions are more to collateral actions, other actions that need to be taken to incentivize that systemic change off diesel.

Mr. Tim Weis: There are all sorts of different ways you could do it. The reason I would like to see it as part of the Green Energy Act is that what we've seen in Canada—specific to wind-diesel systems—is pilot projects approaches, where we do one project here, one project there, we get some capital cost money and then, when the money runs out, there's no one there to maintain it. We've seen several failures across Canada, including in Ontario. What we've been proposing federally is basically a production incentive which is similar to a feed-in tariff. I think a production incentive is really the mechanism we've seen to support any sorts of renewables because it fosters that ongoing, long-term—make sure that the system not only gets built but that it runs long-term. That's why it's well suited to be placed within the Green Energy Act, because you could have some sort of feed-in tariff or production incentive but it doesn't necessarily have to be either. I wanted to highlight it just

to point out the fact that these communities are being left out of the current act.

Ms. Laurel C. Broten: Thank you.

The Acting Chair (Mrs. Carol Mitchell): Thank you very much for your presentation.

Mr. Tim Weis: Thank you for listening.

1520

ECO ALTERNATIVE ENERGY

The Acting Chair (Mrs. Carol Mitchell): I would ask Eco Alternative Energy to come forward, please.

You will have 10 minutes for your presentation and then we will move to a five-minute rotation of questions amongst the three parties. If you could please state your name for the record, sir.

Mr. Ron Kortekoas: My name is Ron Kortekoas. I'm the owner of Eco Alternative Energy.

The Acting Chair (Mrs. Carol Mitchell): You can begin your presentation.

Mr. Ron Kortekoas: Thank you. First, I would like to commend the provincial government for the implementation of Bill 150, the Green Energy Act. I know it hasn't passed yet, but I'm an optimist and I hope it goes through.

I have been selling, installing and servicing solar electric, solar thermal and wind systems since 2005. I'm a standing member of the Canadian Solar Industries Association and the Ontario Sustainable Energy Association.

What I would like to see added to the act is to grandfather existing standard-offer program members into the new FIT program if that's at all possible. It's not looking that way right now but it's something I would like to see for the customers who have gone out ahead of everyone else and done this environmental thing. I would also like to see the rate that they're proposing, the 80.2 cents, stay the way it is if that's possible at all. That's another thing we would like to see, and my customers.

I would like to see interest-free loans, if you could get them from Ontario Hydro, Hydro One or the government or banks—probably not banks, but low-interest loans for people doing green energy.

I would like to see the FIT program much like the standard offer program, where it's transferable from one homeowner to the next. When they sell their home, the program gets transferred with the home.

I would like to see incentives for entrepreneurs to manufacture alternative energy products in Ontario, creating employment and reducing shipping, pricing and, most importantly, our carbon footprint.

I would like to see that Hydro does not implement any monthly fees when people get into these programs like the FIT program or the SOP program. There isn't any for the SOP at the moment, but there is talk of putting some monthly fees in the FIT program. If we could avoid that, that would make customers more comfortable.

I would like to see incentives for homeowners much as the earlier speaker, Tim, was talking about—people

who are off the grid. I have a lot of customers like that. People who have cottages on islands or hunting camps don't want to use the generators all the time. A lot of remote lodges up north are running off generators all the time. As Tim was saying, people are spilling fuel or they have to ship it in and out. If they had a better source of energy there and some kind of incentive, which they don't have—right now, the provincial sales tax is what they get back, but that will all end in 2010, and there's nothing to carry on or carry over from there. If it's at all possible, something should be done there for people who are off-grid.

I would like to see that new homebuyers and builders, if they decide to go with solar thermal systems for the hot water, not have to go through the eco-audit because it is a new home already, and most of them are built to code, so they're already up to all the latest standards. That way they don't have to spend the money, and right now they're not eligible for it if they're putting it on a new home, unless they get this audit done.

Another thing I would like to see is an extension of the ecoEnergy retrofit program, which is due to end in about two years. It has helped a lot of people do the right thing and make their homes more efficient.

I am done now. I'd like to thank you very much—

The Acting Chair (Mrs. Carol Mitchell): Thank you very much. There are a number of questions now. I will begin with Peter.

Mr. Peter Tabuns: Ron, thanks very much for coming in and presenting to us today.

Are there many other firms like yours that are out there in the community now, doing these installations?

Mr. Ron Kortekoas: Yes, there are. We have four stores throughout Ontario. They're all individually owned and operated, but we got together, and we share a website, we share common goals, and we help each other out. This was mostly for buying purposes. We could get better deals if there were four stores rather than just one. So we've done that right now.

There are a lot of newer stores starting up right now, coming in just in the last year or so.

The Acting Chair (Mrs. Carol Mitchell): Laurel.

Ms. Laurel C. Broten: We heard the other day that one of the things that should be part and parcel of the application for a feed-in tariff was an analysis of the solar site—for example, a rooftop solar site—with respect to shadowing. We received an explanation at committee about how panels could be put on a roof, and if the dormer or chimney shadowed part of the solar panels, then the effectiveness of that installation would be greatly reduced. I wondered if you had any comments with respect to that.

Mr. Ron Kortekoas: That's true. We have several mounting systems. We can do it on a pole mount or a ground mount if they have a sunnier area on their lawn where they can put it, or somewhere away from the house. That's one way we tackle that.

There's a new product out now. It's a small little inverter that goes with every panel—so it inverts it to 240

volts right at the panel itself. If one panel is shaded, it'll bring more power in to the rest of them. It's a different system. It's a new technology, and it looks very good for our business. I think it will do well.

The Acting Chair (Mrs. Carol Mitchell): John.

Mr. John Yakabuski: Thank you for joining us, Ron. You made a number of suggestions there, which clearly indicates that you've done a lot of consideration of not only this act but with respect to, as you said, reducing the carbon footprint.

We had a submission last week from the Automotive Parts Manufacturers' Association. It employs 80,000 people—a \$24.3-billion business—and uses about 10% of the energy generated in this province, \$700 million to \$800 million a year in energy. They asked, why wouldn't the government have made more in the line of investments in making these vital manufacturing plants—because this is a manufacturing province. It's a goods-producing economy, and if we lose that, we're going to lose the bulk of what contributes to our standard of living. They asked, why wouldn't the government have invested as much money in improving the efficiency of these companies, not only allowing them to be more competitive worldwide, but they would also then reduce their energy use and reduce the amount of greenhouse gases that we have to emit in order to produce the energy they need? I thought that was a very good question. Why wouldn't the government be putting as much emphasis on doing this, as opposed to generating new electricity? I'd like to get your feedback on that.

Also, I wanted to ask you one question on the off-grid. Are you suggesting that the general electricity payer should cover the cost of someone to get off the grid?

1530

Mr. Ron Kortekoas: It's not just covering them per se. It's reducing greenhouse gases, because they're running generators. They have a business out there, and the only way they can get hydro is to run a generator.

Mr. John Yakabuski: So you're saying the ones that are already off the grid and using a generator, as opposed to being on the grid?

Mr. Ron Kortekoas: That's right. There are a few subdivisions that I've been working on, too. Because of landowners, they can't bring hydro across to them, yet these people have—there are eight or 10 cottages there and they're all running off generators too, and they would just love to have solar but they have to bring gas, diesel or propane into the generators, lug it in with their boats back and forth. It's just the preference of people who are out there, but they don't have access to the power.

Mr. John Yakabuski: Right. So what about the auto efficiencies?

Mr. Ron Kortekoas: The automobile plants and that? There are new—well, they're not really new products. Solar air heating is a product. I've just taken a course on it. Large manufacturing companies can save a lot of money by pulling in warmer fresh air just from a different type of siding they put on the outside of their

building. There are roof models as well, where they can pull in fresh air so you don't have stale air in the building, and it's also heated by the sun. It's a really nice product.

The Acting Chair (Mrs. Carol Mitchell): Thank you very much, Ron, for your presentation.

Mr. John Yakabuski: Thank you, Ron, for your presentation.

Mr. Ron Kortekoas: You're welcome.

ARNPRIOR REGION FEDERATION OF AGRICULTURE

The Acting Chair (Mrs. Carol Mitchell): I would ask Arnprior Region Federation of Agriculture to come forward, please.

I would ask that you state your name for the record. You will have 10 minutes to make your presentation, and there will five minutes for questions in rotation from the three parties represented today. Welcome.

Ms. Debra Pretty-Straathof: Good afternoon. Thank you for the opportunity to present our views on the Green Energy Act. My name is Debra Pretty-Straathof. Today I am speaking on behalf of the Arnprior Region Federation of Agriculture, but I am also a director of the Ontario Federation of Agriculture and represent zone 8, which includes 2,000 farmers in Renfrew, Lanark and Ottawa.

As you have probably heard many times over the course of your hearings, the OFA supports the concept of the Green Energy Act, but as with most legislation there are concerns about the details and how they will affect our province and our farms in the long term. You have heard of our desire to sequester carbon, about our understanding of the cost of doing nothing for our environment, the fact that farmers are amazing at adapting to new technologies and rising to demanding challenges, but sometimes good intentions get mired down in the unintended consequences of regulations and rules. We want to be part of the green economy and contribute to the green energy production opportunities but we do have concerns.

I'll start with biodigesters. A number of brave entrepreneurs have already ventured into providing green energy sources from our farms but they have met with tremendous costs, regulations and outright road blocks. Mr. Heinzle spoke to you earlier today, and I will not repeat his comments except to say that we admire and congratulate him and his association for all the progress they have achieved and the work they have done to make green energy production from farms a little more possible for those who would follow their lead.

I come from a dairy farm just west of Arnprior. We milk about 120 head of cattle. This morning I asked what was stopping us from considering building a digester, and the answer was, and I quote—well, I'll be careful with my quote—"What the heck would I spend that kind of money for, and then have to pay to bring in a three-phase line to sell cheap power to Hydro?" That's a good question. We've had this conversation before, and the answer

hasn't changed much. A number of our colleagues are seriously looking at starting projects, but the challenges are daunting.

We hear over and over that Hydro's rural infrastructure is inadequate, that they don't really want to deal with small energy producers. We applaud the intent of the act to accommodate such projects, but until the infrastructure is in place and the price paid reflects the costs and investments for such projects, there will not be a huge uptake. It's a real shame, because the ability to produce energy is there. Farmers will rise to the challenge, but not to lose money on yet another cheap commodity for the public.

On the issue of solar, there's a lot of concern in our region regarding the establishment of solar projects on prime agricultural land. This is a precious resource, and many farmers have been pushing for years to protect it from development. The argument seems to be that it can continue to be farmed, but there also seem to be extremely limited uses for agriculture under this scenario. This morning it came to my mind: What about weed control, never mind the limitations on production of any kind? A few years ago, the province revised a provincial land use act that the federations, for the most part, supported, but this new act seems to fly in the face of that progress to protect our best land. It also demeans the ability of local land use planning, and it's priced far above any other resource, which invites almost a gold rush of projects shading the landscape.

Rumours abound of more and more solar farms in our area, and it doesn't escape notice that those with deep pockets are able to profit off of productive land while those who actually farm it have made little money for generations, never mind the hypocrisy of the change in the land use policy. If that situation has been rectified, we thank you, but the news has certainly not reached the concession roads yet. We welcome solar along fence lines, on rooftops, all over the place; just please keep it off of prime land.

Biomass: The ability to turn plants into energy has been with us since the beginning of human existence. From burning wood and coal to turning corn into ethanol, using biomass of many kinds to create energy for our use is part of our ability to exist on this planet. Farmers are anticipating the opportunity to provide biomass to OPG.

The possibility of helping to replace coal in the power plants is a welcome addition to our markets. There is some concern about food costs, biofuels and biomass sourcing, but this country enjoys the lowest price for food in the world. Drought, increased world consumption and trade issues all add to the world price increase for grains. And if you notice, it jumps up and down. It's all over the place, so there's no telling what exactly causes it from day to day.

Wind generation: Setbacks and proper line infrastructure seem to be the biggest concern next to the aesthetics of these unfamiliar sights in Ontario. Reaction seems to be almost visceral. People think they are either beautiful and add to the scenery or they're an eyesore and

should all be torn down. We believe wind power will continue to be part of the mix of power generation, but we need to be diligent in providing research results that will either help to alleviate the concerns or provide the data to better position those projects so that any proven detriments to a community can be addressed. These concerns must be treated with respect and with scientific research as soon as possible. Earlier, the gentleman from Bonnechere Valley was eloquent in his address of these issues.

In conclusion, local farmers have voiced concerns about pricing, about the ability for small generators to participate, about solar farms on prime land, and they want the ability of the grid to carry more production corrected and the rural infrastructure upgraded. They worry about stray voltage and about property devaluation, but they are also aware of the potential opportunity when these concerns are addressed.

Ontario farmers and the farmers in this region are ready to do their part to engage in the new green power economy. This effort will help contain power costs for our society and economy and will help the environment, but as with all new initiatives, of course there are concerns. Together we can address and correct these situations.

The production of green power can help bring economic stability back to Ontario farms, but only if the infrastructure is in place to carry the production and if the research is done to continually improve this emerging market. We look forward to doing our part in a sustainable, co-operative and profitable manner with all Ontario society as we move into green energy production. Thank you for your time.

The Acting Chair (Mrs. Carol Mitchell): Thank you, Debra. I will begin the round of questions with Laurel.

Ms. Laurel C. Broten: Thank you very much for your presentation. I want to focus on the issue with respect to biodigesters, and your comments with respect to the connection costs and not being willing to lose money on a project. We've heard submissions over the last number of days both with respect to and in encouragement of ensuring that connection costs are shallow, and second, that the FIT price on biodigesters is too low at the current level being consulted on. I just wanted to hone in on those two points and get your comments with respect to them.

Ms. Debra Pretty-Straathof: First of all, I'm not an expert on that. You were probably talking to George earlier, and I would defer to him. But, yes, that's the common perception. The price seems to jump all over the place, maybe depending on the mood they're in that day; I'm not sure what it is. It's extremely expensive to get hooked properly into the grid. The price is a lot lower than what you will get for other forms of power, and I really, honestly, personally don't understand that. To me, if you're putting out a watt, you're putting out a watt. Why would there be a difference in that? Like I said, I'm not the expert in that area, but I just wanted to reiterate the concern.

1540

Ms. Laurel C. Broten: If you look at your own home circumstances and the comment about the costs of the three-phase line, do you have a sense of how much, for example, of a capital outlay you'd be looking at?

Ms. Debra Pretty-Straathof: No. But given that on top of probably a minimum of a million dollars, it's just more than it can bear. And I don't think that we should be paying for their infrastructure.

The Acting Chair (Mrs. Carol Mitchell): Thank you, John?

Mr. John Yakabuski: Thank you very much, Debra, for joining us today. We do appreciate so much the work that you and your colleagues do on behalf of your members, and have been doing for so long. It is appreciated.

One thing I'm glad about is the fact that a number of representatives from the agricultural sector have made it clear that the government can't simply jump up and down and say, "The OFA and everything is unreservedly in total support of Bill 150." We know there are some great opportunities under Bill 150 for the agricultural sector, and there should be, but it would appear that there are things that need to be taken care of first. One of them certainly seems to be, based on your submission today—and I've had these discussions with the Klaesi brothers as well with respect to their challenges and connection. Obviously, it would appear that there's a tremendous amount of work to do on our transmission and distribution system—

Ms. Debra Pretty-Straathof: Absolutely.

Mr. John Yakabuski: —before we're going to be in a position to help the farmers. Then we also have to look at the FIT tariff that we're prepared to pay. Would that be correct?

Ms. Debra Pretty-Straathof: Yes, that sounds exactly right. One of the things that we've heard is that some of these solar projects, for example, are placed in the area where they are because they happen to be near lines that will carry them. Well, then, build better lines in other places where there's crappy land, you know? That sounds a little flippant, but come on.

Mr. John Yakabuski: But then we're using prime land, which is the wrong thing to do. We're using class 1 land.

Ms. Debra Pretty-Straathof: Exactly.

The Acting Chair (Mrs. Carol Mitchell): Thank you, Peter?

Mr. Peter Tabuns: Thanks very much for the presentation. If in fact there was a price that made the biogas production economically viable, would there be substantial uptake amongst the farmers in your community?

Ms. Debra Pretty-Straathof: I would think so, because there's a number of them now that are, like I said, seriously looking at it. But farmers are business people, and they have to be able to make a business case. They have to be able to have a return on investment within some sort of—maybe their lifetime. If you're paying \$1,500 in hydro, there's no way you're going to spend \$1 million or \$2 million just to replace your own.

You're going to want to sell it onto the grid. You have to be able to recoup those costs in a reasonable amount of time.

Mr. Peter Tabuns: Okay, thank you.

The Acting Chair (Mrs. Carol Mitchell): Thank you very much for your presentation, Debra.

CANADIAN SOLAR INDUSTRIES ASSOCIATION

The Acting Chair (Mrs. Carol Mitchell): I would ask Canadian Solar Industries Association to come forward, please.

If you would please state your name for the record, you will have 10 minutes for your presentation. Then there will be five minutes of questions, and that will be rotated throughout the three parties. Thank you for coming today and please go ahead.

Ms. Elizabeth McDonald: My name is Elizabeth McDonald.

Mr. Wes Johnston: And my name is Wes Johnston.

Ms. Elizabeth McDonald: Good afternoon, and, for some of you, welcome to Ottawa.

My name is Elizabeth McDonald and I'm the executive director of the Canadian Solar Industries Association, or CanSIA, as we call ourselves. I also was the chair of Ontario's solar task force last year.

I'd also like to say, in terms of the gentleman who was one of our members who appeared, we have addressed many of those issues in other filings with the Ontario Power Authority, the Ministry of the Environment etc., and I'm happy to deal with them.

I'm accompanied today by Wes Johnston, CanSIA's director of policy and research.

We are the national trade association that represents members who work in the various solar technologies: solar photovoltaics, or PV, as it's referred to; solar thermal, or water heating; and solar air. We have over 300 members, and the vast majority are in Ontario. These members range from large companies with a global presence to the one- and two-person installer companies.

Before I go any further, let me answer one question that's always there: Yes, Canada, and in particular Ontario, does have an excellent solar resource—better than Germany, the country considered to have the most aggressive renewable energy strategy in the world. Too many of us get confused between the cold and solar resources.

You have an interesting task in terms of this new act. You're touring the province to get input and ideas from its citizens. First of all, the government of Ontario must be congratulated for taking on such forward-thinking legislation. Canada as a country has lagged behind the rest of the world. We've been comfortable thinking that our fossil fuel supplies would support us; our energy is secure and limitless; our skies are blue; and, beyond anything else, we're the nice guys globally. As we saw last summer, our fossil fuel future is, at best, unpredictable. And Canadians and Ontarians are big consumers of

energy. For example, did you know that Canadians and Ontarians use more hot water per capita than any other country in the world? But at least we're clean, eh?

In late 2006, the Ontario government introduced its first renewable energy standard-offer program. While it did not have the same public launch as this new act has had, it did signal that, within Canada, Ontario was committing itself to adopting renewable energy. Indeed, that program was so successful that last May the Ontario Power Authority had to freeze it because it had just grown beyond expectation. It was clear, after the Honourable George Smitherman was named Ontario's new Minister of Energy and Infrastructure, that more was yet to come. This is clearly evident in the legislation.

For those of us from the renewable energy field, this legislation underlines true commitment. It shows leadership in Canada, it shows leadership in North America and it sends a message to my sons and the other young people who are our future that Ontario intends to give them the clean energy they want and expect. We at CanSIA are not a legislative experts, so on behalf of my members, I congratulate the government.

Much of what interests our members is not the legislation per se but the underlying programs. Let me be clear: Whatever suggestions for change that may be made here or anywhere in the province about the programs, the legislation is the right way to go. But once you get into the programs and their detail, well, as we all know, the devil is there.

It will also be the programs that will deliver on the broader objectives that the act is meant to address; namely, a clean, green future for Ontario; a response to the challenges of climate change; and a new economy going forward for the province.

These objectives are all critical to the province going forward, and meeting them successfully will be a challenge. We, like others appearing before you, have the health and prosperity of our industry as a major goal, but we also can bring our expertise to the table—the lessons that have been learnt from other parts of the world; the reality of the effort required and the start-up needed to make the dreams that led to the legislation that allowed for the programs actually achieve what is intended.

From the solar industry's perspective, the program we are for the moment most focused on is the feed-in tariff proposal, which is truly complex and multilayered, especially for PV in the province, as it covers solar development to residential rooftop. I do want you to know that we are actively engaged in all the consultations and stakeholder meetings that are being held, in a very accelerated fashion, with the intent of hopefully getting this program launched in June. Indeed, there are at least six departments and the OPA involved, as well as many others.

As an aside, I would like to publicly acknowledge the hard work and dedication of many public servants who are organizing and attending meetings and coordinating with colleagues and stakeholders. They are on a tight deadline and they're working very hard.

In terms of the FIT program, our association does have concerns related to particular aspects of that program that are focused on large-scale, ground-mount solar, because our members' experience tells us that that is the linchpin to meeting your economic expectations—the potential for 50,000 jobs in three years that the Premier often references. We believe that sector of the industry needs to be encouraged so that the province can meet its own 100,000 residential or community rooftop goal.

We also appreciate and are participating in the efforts to eliminate barriers and streamline processes. Renewable energy represents new opportunities, but it also means new ways to do things. It's critical that they can be introduced in a manner that understands that and can respond to that opportunity. We appreciate what is being done and hope that this can and will be a continual process, balancing the desire to drive the adoption of new energy technologies, while protecting the health and safety of Ontario's citizens.

1550

There are, as I've even seen this afternoon, many groups with views on these issues. We all have our perspective. I would hope that this committee can find some balance. In some cases, it is clear there's a lack of understanding of the technology and its implications. There are those, as you have heard, who believe, for example, that we want to see Ontario's agricultural land covered in solar panels, from the Manitoba border to the Quebec border. That is just not correct. We're talking about significantly less than 0.05%. In some cases, we are talking about land that has been fallow for up to 15 years and where sons and daughters are not willing to take it over. We are talking about farmers who want to retire and have a stable income stream. We are talking about farmers who are members of the OFA and CanSIA.

We can argue these details here, but we will be seeking meetings with the Ontario farmers' association, OMAFRA and others to help them understand the reality of what solar PV will mean to them. We will work to better develop information programs so that communities understand the opportunity that the sun brings, without fear.

We hope, moving forward, that the solar focus in Ontario will not just be PV but will also be solar thermal or solar water heating. We are actively engaged in that discussion with the Ontario government. We are pleased that the federal government recently put significantly more money on the table for homeowners to retrofit their homes with solar thermal technology, and we hope Ontario will soon follow that lead. In the end, when an Ontario family adopts ST technology in their home, they've found the single best way to reduce their family's GHG emissions. It would be like if that family drove 3,000 kilometres less in a given year.

Beyond all of this, we will need to ensure that we have a trained workforce that will respond to increased demands for these technologies. Our association and some of Ontario's community colleges do offer the training that is required. We need to ensure that the capacity will be

there to ensure not only jobs, but safe and reliable installations.

Finally, because I'm also a librarian by training, I want to encourage you to look at better dissemination of information to the Ontario public. The information available now is not focused or always reliable. Indeed, it is frightening to think of all the people who call me to ask what they need to do to install solar in their home. For the Green Energy Act to really work over the long term, we need a concerted program to inform our citizens.

(1) We need to use Web-based media and social media tools like Twitter and Facebook, and we need to teach this to the next generation of solar employees in the high schools, colleges and universities of today.

(2) We need to develop better community-based materials—and we are a member of OSEA and of the Green Energy Act Alliance. That's a great place to start.

(3) Finally, please, can we update our curriculum for our children so they can learn what the reality is?

We are happy to respond to your questions, and we are happy to reach out to our members as well. We can bring a mixture of global and local knowledge and experience. We want the objectives of the Green Energy and Green Economy Act to be met. Obviously, it's good for my members' businesses, but more importantly, it will make Ontario a global leader in an area that matters to our children.

The Acting Chair (Mrs. Carol Mitchell): Thank you. I will begin the rotation with Lisa.

Ms. Lisa MacLeod: Welcome, Ms. McDonald. It's a pleasure to have you here.

I want you to know one thing: While I was sitting here earlier this morning, I actually uploaded to my Facebook what a tax and power grab this legislation is. So it's there for my 800-plus friends to see on Facebook.

I thought the previous deputant from the Arnprior Region Federation of Agriculture had one of the better presentations today. She talked about some of the issues that are of concern in my community with respect to the agricultural community.

First of all, I'm not sure of the Ontario farmers' association you're meeting with. I just wanted to know who that group is.

Ms. Elizabeth McDonald: I meant to say "OFA." I'm sorry.

Ms. Lisa MacLeod: Okay. In the last presentation, there was a suggestion—and I'll quote them: "There is a lot of concern in our region regarding the establishment of solar projects on prime agricultural land." Your presentation, I guess, attempts to refute that. But, look, it's a real concern in the rural communities in eastern Ontario that our prime agricultural land, if it's not going to be used for development, is going to be used for solar energy or wind farms. I'm wondering how you respond to that and what kind of dialogue you're attempting to have with the OFA and OMAFRA to allay the concerns of those in the rural and farming communities.

Ms. Elizabeth McDonald: First of all, I should point out that the OFA is a much larger organization than

CanSIA. We have a staff of four, plus two contractors that work for us. They're somewhat larger, and so actually, we're just making the efforts to reach out now. If you understood all of the meetings that my members and staff and I have to go to in terms of the stakeholder consultations, which are almost daily now and always in Toronto, it's quite a challenge getting through this, but we will reach out.

I think the other thing is, I've watched this and I don't believe that in four years from now, I'm going to fly over Ontario and see just a blue mass of solar panels. So let's talk about what the size of the problem is; let's bring the people into a room; let's address it. We have research to deal with things, and we are participating actively with the Ministry of the Environment on health, safety, stray voltage and all of that. There is truth, there are concerns and there is reality. But also, let me point out that there are some farmers who belong both to the OFA and CanSIA, and they've chosen to take this approach. There are other countries that have done this. They are not blue panels from one border to another, and in some cases, they have sheep grazing etc. We could get into a detailed conversation now, but this really takes research—

The Acting Chair (Mrs. Carol Mitchell): That's great. Thank you. I'll move on to Peter.

Mr. Peter Tabuns: Elizabeth, thanks for the presentation. What are the economics that shape this? Because you're right: Companies that support solar industries don't have their entire land masses covered with panels, and I would think that good agricultural land would be too valuable to cover over with solar panels. Could you talk a bit about that?

Ms. Elizabeth McDonald: Well, one of the interesting economic things—and it's reflected in the FIT program, as it's presented—is that it does have a program for ground-mount solar. Our view is that we will see some of that larger generation—and Wes, you can jump in—in the beginning of the program. That will then attract the kind of economic activity that will bring the manufacturing of panels to Ontario because there'll be a critical mass, and that will then, we believe, have most people migrate to rooftop.

Mr. Wes Johnston: Just to add to that, to some extent as well, programs in Germany that do have an extensive, ground-mounted tariff program in place—we've seen in Ontario, for example, a company like Arise, which is headquartered in Ontario and that had to move to—actually, they have a manufacturing plant in Germany, and so the incentives were put in place for them in Germany to establish that manufacturing plant. With a more solid local market in place in Ontario, there are greater opportunities for Arise and other companies such as that to do business here and for companies outside of Ontario to also come to Ontario to establish manufacturing plants.

Mr. Peter Tabuns: Thank you.

The Acting Chair (Mrs. Carol Mitchell): Laurel.

Ms. Laurel C. Broten: Thanks very much. I'm wondering, in your examination of tariffs or incentives put in place elsewhere in the world, if you've seen a system

developed whereby there was a mechanism to incentivize the location of ground-mount solar onto that lower-grade agricultural land. You know that our government has made efforts, for example, to protect the greenbelt, and we look to this and we're seeking solutions as to how we might be able to walk this pathway and not be restrictive to those who may want to use their farmland for this, but also be assured that we don't see vast tracts of the province moving in this direction.

Mr. Wes Johnston: As Elizabeth mentioned, we are looking to discuss this further with OMAFRA and with the OFA as well. We actually submitted a document to the Ministry of the Environment regarding information and recommendations for ground-mounted through the renewable energy approval process. We actually looked at ground-mounted PV in regard to agricultural land as well. So it provides some information in those areas.

But I think it's key to remember that ground-mounted solar, the way we've looked at it and analyzed it, even if we can meet our targets of 10,000 megawatts of solar PV, it's less than 0.5% of the agricultural prime land in Ontario. I have a farming background as well. I grew up in PEI on a farm. In Germany, for example, the farmers see this as a stable income. It's a supplemental income, really, and with the supplemental income, it helps stabilize their farming operations. We see that being an economic benefit, not only to them but to their local community as well.

Ms. Laurel C. Broten: Thank you.

The Acting Chair (Mrs. Carol Mitchell): Thank you very much for your presentation.

1600

UTILITIES KINGSTON

The Acting Chair (Mrs. Carol Mitchell): Kingston Hydro, if you would come forward, please.

You have 10 minutes for your presentation. If you would please state your name. After your presentation, we will then go through a rotation of questions that will take five minutes.

Ms. Nancy Taylor: My name is Nancy Taylor. While I have a role at Kingston Hydro, I'm here primarily to speak to you today about my role with Utilities Kingston.

Utilities Kingston is a company that was formed in 2000. It's an affiliate to our local distribution company, Kingston Hydro. The reason it was formed is that at the time, we felt it was important to continue to operate all of the utility services in the city of Kingston jointly, and the affiliate was the only way that we could do it under the Energy Competition Act.

Currently, Utilities Kingston manages, on behalf of Kingston Hydro, electricity distribution services, and on behalf of the city of Kingston, a natural gas distribution system, the water treatment and distribution system, and the sewage collection and treatment system. In addition, we also manage a telecommunications utility that we know will help enable us to deliver on the smart grid vision that's set out in the Green Energy Act. We like to

think of it as the intelligent multi-utility in Kingston. There are visions in the smart grid that can also be applied to other utility businesses.

We're very interested in the Green Energy Act. We're interested in pursuing many of the opportunities, as Utilities Kingston hopes to enable our community's vision of becoming a sustainable community. So there is lots of opportunity in the act.

What I'd like to draw to your attention today, though, based on our experience in managing the other utilities, is that there is also an opportunity for significant energy savings if you start to extend the Green Energy Act into management of water and sewage systems.

For most municipalities, water and sewage systems are the largest single electricity user—well, actually, energy user, because in some cases, they use natural gas as well—for the municipality. This is something that's starting to be identified by a number of groups on the water side, such as POLIS and the Forum for Leadership on Water. They've identified this as the critical nexus between water and energy, but it's a nexus that is still not yet well understood.

One of the issues that the water and sewage treatment industries face was pointed out in the 2005 Watertight report. There are 733 water treatment facilities in Ontario. Of those, only 40 serve populations of greater than 35,000, and in fact, 555 of those treatment facilities serve populations with fewer than 5,000 customers. That poses some significant problems for these businesses, because they don't have the rate base for resource engineering specialties, these trained operators, that sort of thing, that's really now required in the water industry.

The Watertight report also says, "Unquestionably, the smallest plants—those serving, roughly, fewer than 2,000 customers—have the highest unit costs, and that threshold can be expected to rise with increasing regulatory and technical complexity."

I can certainly attest that since 2005, there has been nothing but increasing regulatory and technical complexity in the water business. Currently, we are all implementing a drinking water quality management system, as all operators of water systems in the province have to become accredited to operate these facilities. This is certainly something that, we're noticing, a lot of the smaller communities in our area are starting to really have a struggle with. They just simply don't have the resources to meet the expectations.

Before the Energy Competition Act, as you are probably well familiar with many water and electric utilities were operated jointly through public utilities commissions, the old PUCs. In fact, we are still called the PUC in Kingston; we can't seem to make it go away, even though it has been 12 years. One of the reasons for that, and I think this is a valid reason today, is that many of the principles that you use in managing a well-run, regulated electric company also apply to managing well-run water systems and waste water systems. So whether it's asset management principles or applying full-cost-recovery and rate-based principles to the systems, or, for

that matter, the conservation initiatives, all the same principles apply to all the utilities.

Currently, there's a barrier to us at Utilities Kingston being able to offer our services to small communities in our region. The barrier is, as an affiliate company, we are governed by section 73 of the Ontario Energy Board Act, which sets out, as long as our local electricity distributor is majority-owned by the municipality, certain constraints on what the affiliate can do.

At paragraph 7, the specific constraint I'd like the committee to consider, it states that we are permitted to be in the business of "Managing or operating, on behalf of a municipal corporation which owns shares in the distributor, the provision of a public utility as defined in section 1 of the Public Utilities Act or sewage services."

The barrier is the need for other municipalities to own shares in Kingston's electricity distribution company. If the committee were to consider an amendment that would eliminate the need for surrounding municipalities to own shares, we would then be able to start to provide services, of course on a voluntary basis. We're not suggesting that we impose ourselves on the smaller communities, but it would enable us to offer the services to communities that we're starting to see really have a need for those services.

That's my presentation. Thank you very much.

The Acting Chair (Mrs. Carol Mitchell): Thank you very much for your presentation. We'll begin the rotation with Peter.

Mr. Peter Tabuns: Thanks very much for being here today and making that presentation. I'm interested in your recommendation, but because I don't have a lot of familiarity with the area, what would be the arguments against the recommendation you've made, arguments that we might hear if we put forward an amendment to that effect?

Ms. Nancy Taylor: I really can't anticipate any, because I'm not sure I understand the intent behind the—

Mr. Peter Tabuns: Initial?

Ms. Nancy Taylor: —initial construction of the legislation.

Mr. Peter Tabuns: If, in fact, the amendment was made and you were able to expand your services, do you have a sense of how large your area of operation could become in the Kingston area?

Ms. Nancy Taylor: Potentially it could become a regional hub, so it could be quite large.

Mr. Peter Tabuns: Thank you.

The Acting Chair (Mrs. Carol Mitchell): Laurel?

Ms. Laurel C. Broten: Thank you. On the proposed amendment, I'm going back in my mind to a couple of days ago when someone suggested a similar amendment and said that the only other mechanism they could suggest to get around it would be the creation of non-voting shares that would be owned by the other municipality. Have you thought about that mechanism, and what would be the reason why you wouldn't proceed down a path such as that?

Ms. Nancy Taylor: We have considered it. It just adds a degree of complexity when you're having discussions that it would be nice not to have.

Ms. Laurel C. Broten: And it probably demonstrates that there's a fairly simple mechanism to go around this provision.

Ms. Nancy Taylor: Okay.

Ms. Laurel C. Broten: Would you agree? It adds a level of complexity, but it's not impossible to do it.

Ms. Nancy Taylor: It's not impossible to do it. One of the issues is, when you're dealing with some of the smaller municipalities, they're not generally familiar with dealing with shares and those sorts of things, so it can be seen as a little bit scary and something they're not sure they want to enter into.

Ms. Laurel C. Broten: Thank you.

The Acting Chair (Mrs. Carol Mitchell): Could you speak a bit closer to your microphone?

Ms. Nancy Taylor: Sorry.

The Acting Chair (Mrs. Carol Mitchell): John, if you would like to go next.

Mr. John Yakabuski: Thank you, Nancy. This is one of those very, very common occurrences when I'm exactly on the same page as my counterpart from the government.

Interjection.

Mr. John Yakabuski: No, no. Very common, very common. It's getting near the end of the day, obviously.

I was going to ask the same question. If there was a way that shares that could be issued to the neighbouring municipalities getting around the legislation and if that's not something that's—the lawyers who advise Kingston may have their own reasons why they wouldn't want to do that. But in the absence of that, I guess I'd like to hear from the government as to why we can't make this amendment. Maybe the government lawyers have a reason, but once it gets into this legalese stuff, I yield to those who get into that deep stuff, and I'm not just talking about the Kingston sewers, either. But that was my thought. Perhaps there was a way of getting around it with the issuance of shares, but you've already answered that, Nancy. Thank you for your presentation.

Ms. Nancy Taylor: Thank you.

The Acting Chair (Mrs. Carol Mitchell): Thank you very much for your presentation.

1610

RENFREW POWER GENERATION

The Acting Chair (Mrs. Carol Mitchell): I would ask Renfrew Power Generation to come forward.

Gentlemen, you will have 10 minutes for your presentation and then there will be five minutes of questions and it will be a rotation of the three parties. I would ask you to state your names for the record and then begin your presentation.

Mr. Charlie Jamieson: Thank you for seeing us. My name is Charlie Jamieson; I'm the chairman of the board for Renfrew Power Generation. With me is my associate

Mr. Peter Boldt, who is a project manager with Renfrew Power Generation.

Thank you for the opportunity to speak this afternoon. I'd like to first say how pleased we are to see the Green Energy Act and the thought leadership that is embodied therein. I'd like to first tell you a little bit about Renfrew Power Gen, give you our story, in essence, and then relate it to a macro situation.

Renfrew Power Generation has been delivering hydroelectric power in the Ottawa valley for some 100 years. We're situated on the Bonnechere River system, Mr. Yakabuski's neighbourhood. We were municipality-owned by the town of Renfrew until 2000, when we were stood up as a corporation when the Electricity Act changed.

We have been looking for means to expand our generation capability for some eight years and, as such, we've invested a significant amount of effort into developing a number of projects. We currently have four projects that we've developed; three are hydroelectric and one is a waste energy project.

Over the course of this project development process, we've gone through a standard economic assessment. The first thing we bumped up against, as we looked at these projects, was economics. Capital investment to develop new hydroelectric capacity at market rates was not going to get us anywhere. The market rate has been averaging about a nickel for the nine years or so that we've been incorporated. When you're trying to amortize capital costs back, that model doesn't work.

We were very pleased to see the RESOP come. That provided the economic stimulus, if you will, in terms of a price that we can sell the power at that provided a return that justified the projects. We have, over the past eight years, invested some \$500,000 in developing these projects. To put that in perspective, we're a \$600,000 company, so in essence, we've invested a year's revenues or 10 years' profit in developing these projects. As I said, we were very pleased to see the RESOP come along, and that developed an economic condition under which the projects made sense.

The RESOP came with a process for connection. It's one thing to have a product and it's another thing to be able to deliver it to market. The process for connection to Hydro One's grid was essentially a first-come, first-served process, with no barrier to entry. With that process, lots of projects lined up. There are really two categories of folks lining up: for capacity that didn't yet exist, so Hydro One didn't have the ability to accept that power; and in areas where they did have excess headroom, if you will, so there was an ability to connect there.

With no barrier to entry, what we found was that a queue formed very quickly with projects that had a low barrier to entry and were in varying degrees of readiness. Our projects have essentially been stalled now for two to three years. We're shovel-ready, so to speak, but can't get through the queue. With the system essentially being stalled, Hydro One hasn't been able to find a path forward.

We're very happy to see the FIT program come forward with the right to connect, but fundamentally, the right to connect doesn't get one past Hydro One's issue of (a) a legacy queue and (b) establishing criteria under which projects can or cannot be connected.

As we look at the province as a macro, our situation is not unique. There are lots of very credible projects ready to go that are in a mix with projects that are less ready to go, and there isn't a mechanism to sort through that.

Fundamentally, our first recommendation and the first comment that we'd like to make is that while the Green Energy Act provides a great economic model in terms of stimulating business, it provides the right to connect, there's still the mechanism around qualifying projects to connect. We have some suggestions that are included in our handout, but essentially they range from wiping the slate clean in terms of existing legacy projects, to a qualifying or gating process so that only projects that meet certain criteria in terms of being close to or shovel-ready are qualified. So I'll leave that with you to read, but fundamentally, we are absolutely excited about the Green Energy Act. We're absolutely ready to launch in lockstep with the province in terms of developing this renewable energy. We need a bit of help to get the system tweaked so that we can connect.

Just to put us in perspective: four projects—this is a micro look at the world. Renfrew is not going to change Ontario's landscape from a power perspective, but it does have a significant effect in the micro. We have four projects that essentially expand our generation capacity sixfold. We have \$50 million of capital projects to go into the local economy. Almost all of that money stays in the local economy, creating local jobs. We estimate that we'll generate something in the order of 750 person-years over the first 10 years, with a stable employment in perpetuity.

A long-term benefit is, that renewable energy is there forever. There's a long-term benefit to the municipality in terms of employment but also in revenue streams. Where municipally held, the revenues from this operation essentially offset tax revenues in an environment that has not been dealt with kindly lately economically. From a micro perspective, the Renfrew specific is a very special case but indicative of circumstances that would exist across the province.

We're absolutely excited about the Green Energy Act. We're absolutely excited about the FIT program. We have a few recommendations about how to sand the edges off, so to speak, so that it works and the projects can get across the goal line.

Secondly, I'd like to make a few comments around the legislation. The first issue that I'd like to identify is the FIT program. While it has rate categories for a number of different energy sources, we feel that there's one that is perhaps open for consideration. Hydro-electric has a long-term-capacity capability, and that long-term capability comes with regular requirements to refurbish it. At market prices, there are no economics around refurbishing existing facilities. There are some in the Ottawa

Valley that are not being refurbished because, at five cents an hour, the economics just don't support fixing up an existing capability.

We do have a project that is refurbishing our 100-year-old equipment, which will essentially double our efficiencies for the same water, but the FIT program doesn't provide a rate category that would make those economics work for us. In essence, we'd like to suggest that refurbished facilities qualify as new generation.

There are a few other tidbits that I'd like to identify. The environmental assessment element of the legislation provides an ability for protest. Fundamentally, having a mechanism in that environmental assessment for third party protest provides an avenue to stall a project indefinitely. What we'd like to recommend is that a layer be inserted in between such that the director, at his discretion, would assess the basis of a protest and allow it to go forward or not on its merits, rather than providing unfettered access to a protest.

There's also a potential within the legislation, given that both the province and the federal government have control over the resources, for requirements for double-permitting. Again, there's an opportunity there to streamline the process and make it more efficient for the proponents.

Lastly—

The Acting Chair (Mrs. Carol Mitchell): You have about 30 seconds left.

Mr. Charlie Jamieson: Lastly, we'd like to suggest that the provincial parks and conservation reserves be made available as reservoirs.

We applaud the leadership embodied in the legislation, and we'd like to suggest that consideration be given to our connection issues and to the minor adjustments to the legislation.

In closing, thank you for the forum.

The Acting Chair (Mrs. Carol Mitchell): Thank you very much for your presentation. We'll begin the rotation with Laurel.

Ms. Laurel C. Broten: Thank you very much for your presentation. I think the clear crystallization of why we need to deal with legacy projects in the context of the development and design of the new feed-in tariff was really brought home by your example, so I do appreciate that, especially for those who have existing grid rights but no contracts.

As I understand the process going forward, the OPA will be consulting and meeting with stakeholders on—April 21, I think, is the date that I have. So I certainly encourage you to connect with that consultation, and we will certainly relay the information that we receive from these hearings through to that process. Thanks very much.

Mr. Charlie Jamieson: That's an easy question.

The Acting Chair (Mrs. Carol Mitchell): It gets harder.

Mr. John Yakabuski: Charlie and Peter, thanks for coming today. I've seen some of those old turbines in your station, so there's no question there's an ongoing

need to upgrade equipment. Thanks so much for the presentation.

It looks like we've got two issues here, and one is the transmission and distribution system that is just not prepared to be able to accept some of the generation that we're prepared to bring into it. I know you folks have been working on this for some time. Just for the sake of the committee—I didn't hear it and I don't see it in the presentation: What's the expected capacity of the system with the additional hydraulic and energy-from-waste upgrades?

Mr. Charlie Jamieson: It'll be a total of about eight megawatts.

Mr. John Yakabuski: So a significant amount of power for the Bonnechere River.

Mr. Charlie Jamieson: Well, on a slow day it'll run the town of Renfrew.

Mr. John Yakabuski: Yes, exactly. So it looks—

The Acting Chair (Mrs. Carol Mitchell): Yes, that's a couple of minutes.

Mr. John Yakabuski: Well, good to see you anyway.

The Acting Chair (Mrs. Carol Mitchell): Thank you, Peter?

Mr. Peter Tabuns: One last one. Thanks very much for the presentation and the detail. I'm just curious about this energy-from-waste facility. Would that qualify under the feed-in tariff program?

Mr. Charlie Jamieson: No. We understand that energy from waste is not considered to be a renewable. It would be a thrust, if you will, from the Ministry of the Environment as opposed to Ministry of Energy.

Mr. Peter Tabuns: Okay. That's it; thank you.

The Acting Chair (Mrs. Carol Mitchell): Thank you very much for your presentation.

The next presenter is not here yet, and we are running ahead of schedule, so I would ask the members to please stay by, and as soon as they arrive, we will begin. Don't go far.

The committee recessed from 1623 to 1629.

PLASCO ENERGY GROUP

The Acting Chair (Mrs. Carol Mitchell): I will call the committee back to order.

The first order of business is to welcome our new presenter. I would just remind you that you have 10 minutes for your presentation. Then there will be five minutes for questions, and that will be a rotation of the three parties. If you could begin by introducing yourself for the record, and then begin your presentation.

Mr. Rod Bryden: Thank you very much. My name is Rod Bryden. I'm the president and CEO of Plasco Energy Group. Thank you for the opportunity to present to you. I do have slides, which I will go through expeditiously, I hope.

We very much believe that this act represents an opportunity for the province of Ontario to take leadership in the green energy space, and we fully support the act as a very timely initiative. Our interest today is to describe

how Plasco can contribute to the objectives of both the act and the government in its economic program by using the people of Ontario, innovations in Ontario, and something which is otherwise a problem for Ontario—municipal solid waste—by converting it to green energy and quality jobs.

The proposed legislation allows clean fuel gas produced by conversion of MSW, municipal solid waste, to be added as a renewable energy source through regulation, and this should be done, we believe, as soon as possible.

We think it was appropriate that waste not be included in the specified fuels but rather be left to be included under a regulation so that the specific conditions—the efficiency with which it is converted, and the environmental impact that may result—could be specified in the regulations to ensure that the objectives of the act are maintained. But clearly, it is one of the alternatives available to the government, and we hope that it moves on that as quickly as possible.

Plasco uses garbage that would otherwise go to landfill—not what would be recycled, but what would otherwise have gone to landfill or be composted or digested—and turns that into electricity and other valuable products. It does this by using innovations that were developed in Ontario, and people who live and work in Ontario, and materials and components largely produced in Ontario. Direct employment in a Plasco conversion facility, which produces 21 megawatts of power, is 45 people. That's two full-time jobs for every megawatt of power. So, simply put, two person-years of employment, plus 25 tonnes a day of garbage, produces a megawatt of continuous flow of green power. In a province that seeks to reduce its emissions that are attributable to energy and that seeks to increase employment, this could not be a better fit.

A little bit of history: More than 20 years of Ontario innovation is the basis of this company, which has been in business continuously since the mid-1970s. In the last three years, between 2005 and 2008, more than \$100 million of private equity capital has been invested in this company. Employment in Ontario is substantial already, and as we build conversion plants to convert waste in this province, there will be 35 to 55 jobs per plant, depending on the size. It could be larger, but for transportation reasons, we believe that the plants should not be large; they should be of modest size, to minimize trucking and congestion. So, while 55 isn't the size a plant could be, we think it is roughly the largest size that would be appropriate in most urban communities.

The Plasco manufacturing plant will produce these plants in the way you would produce locomotives: They will be delivered to site and clamped together. They are built in the manufacturing plant as you would an automobile or a locomotive.

There will be 250 direct jobs in the first plant, for which we already have space settled, though not finalized, in southwestern Ontario, and about 300 jobs for suppliers in Ontario, supplying components to that plant.

That is the first of what we believe would be several plants in light of world demand, which I'll touch on.

Today there are 180 people directly employed in Plasco. A year ago there were 60, and two and a half years ago there were six. There are about 50 people working today, supplying to Plasco, mostly in the Ottawa region, for a total of 230 jobs, versus 60, one year ago, and six, three years ago.

This is a very substantial opportunity. It is clearly one of the ways in which green energy produced in this province, and the technology to do it around the world, can be a major contributor.

The plant is a reality. This is a photograph, not a computer drawing. What you see here—this is where the garbage comes in. The trucks drive in; the doors close.

The process air that is used in the conversion is drawn from inside the plant. When the doors are open, the air pulls in, not out, so that in the summertime, you don't smell garbage around it—not that you won't smell garbage; that's a 250-acre landfill across the road. But it won't be garbage that came in to us that you're smelling.

The garbage then is converted into a fuel gas, which is stored in this chamber. That chamber stores about two and a half minutes of operation. The gas flows directly from that chamber into these engines. Those are Jenbacher engines, made by GE, that actually come from Austria. Each of those engines produces a megawatt of power.

The plant overall uses less than 25% of the total energy in the waste in order to run the plant and the plasma torches that we use to do the process, and 75% of the energy in the waste is available for net saleable power. There is no impact on the land that it sits on. This land is no more contaminated than it would be by a retail store. We're processing garbage inside of it, but that's sitting on a concrete pad; it never comes in contact with the land. It uses land, but to process all the municipal waste that comes from the households in Ottawa—from households, not ICI included, but households—would take a site of about five acres. Currently, there are 250 acres dedicated to the landfill that receives that waste.

There is no impact on water. We recover clean water out of the waste. The waste comes in at about 30% moisture; we get about 300 litres of clean water out of it. We do draw water, but we put back more water than we bring in.

There are no emissions in the conversion process. In that plant you saw, from the time the garbage comes until it goes into that big blue tank, there is nothing emitted into the atmosphere. That's constantly inspected; there are no openings, so there are no emissions. When the gas is used as a fuel in the engine, the engines have an exhaust. That exhaust is the emission from the plant. Those exhausts are well below the most stringent levels in the world.

This is a table that shows the EU's standards, California's standards, and Ontario's A-7, which are no longer really the standards in Ontario. You couldn't build any worse than that, but you can't build within that

either, but they're the only published standards at the moment. This, on the right-hand side—it's a little thin to see, but maybe it's my eyes. As you can see, we're a fraction of the last published standards in Ontario. But more importantly—because these are not going to be permitted anymore, I'm sure—we're lower than the EU's standards, which are the standards in the world, and substantially lower than California. There is no jurisdiction in the world that has any one of these contaminants at which our standard is not better. It is the best in every single one in the world.

The power that we produce is a valuable power. First, it's net CO₂ reduction. The power that we produce comes from waste which would otherwise have generated methane had it been allowed to deteriorate in a landfill. We eliminate 100% of that. If you use landfill gas, the price of landfill gas is, for every methane unit that you use to make fuel for your engine, another one goes into the atmosphere. There is no method of collecting all the landfill gas. There's a report coming out, if it's not out already, that says that 50% is optimistic. There's a theoretical capability of getting 70%, but it isn't real. So the price of landfill gas is—which is better than letting it all go to the atmosphere—that every time you get one unit going to the engine, one unit goes to the atmosphere. We get it all. So its CO₂ reduction is much better than landfill gas, which, right now, under this legislation—the published tariff is 11 cents. If they're buying value—if value is what that 11 cents is for—our power is worth a lot more.

Secondly, it's distributed power. That is, these plants are designed to be small and attractive and quiet and with no emissions so they can go inside the urban envelope, not trucked to the outside where you can hide the plant—that place that you're putting it, either the incinerator or the landfill—and then put your power on grid to bring it back into town; they are already in town. So it's distributed power and it's baseload power. Compare that to wind. It has to be where the wind's blowing. It has to be not in the urban community, it has to use transmission lines, it is not baseload, and it is highly inefficient in the use of those lines. The proposed price for wind is 13.5 cents.

This is a system which will be sold all over the world. This is a specific design provided to California, to Los Angeles. We're down to one of two. The other one is a biodigester to deal with their waste. It doesn't generate any material amount of power, but it certainly will get rid of waste in clean way—the organic waste, at least. This is a world-leading technology.

These are specific areas—Red Deer has signed a contract. The city of Ottawa has unanimously voted to use the system, although we have not yet finalized the contract. We have several contracts in discussions, well-advanced, in California and other states in the US, several in Europe, and in Asia, but more particularly in China, where Beijing—the mayor has been here and had the discussion about it. He sent a technical team back. They have asked us to come to them with a specific

proposal for 1,000 tonnes a day. They observed: “We would hope to process the waste of Beijing in your system.” That's seven million tonnes a year. Those plants could be made in this province and shipped there.

Finally, there are nine million tonnes of garbage in Ontario that go to landfill. That's after assuming that the four million tonnes that are separated actually get recycled. Much of it, as you know, does not; it's separated, but there's no market for it and it ends up in the landfill. But there are nine million tonnes that are garbage that would otherwise go to landfill, aside from recycling.

1640

If that were all processed in Plasco, it would produce 1,600 megawatts of power; that's half of Nanticoke, the biggest coal plant in this province. Think of this: Every time you take a tonne of garbage and put it in a landfill, you're burying 14,000 megajoules of energy. If, at the same time, the oil sands were being excavated in a strip mine, every tonne that they pick up while you're burying a tonne here has less than three megajoules. We bury 14; we dig up four. It's tougher to process the oil out of that sand than it is to get the energy out of this garbage, and when you get the oil out of the sand, it's in Fort McMurray. Your energy is here when you need it.

The Acting Chair (Mrs. Carol Mitchell): Thank you. I'll give you about 10 seconds to wrap it up very quickly.

Mr. Rod Bryden: Perfect. Then I'll just say thank you very much. I'm not against the oil sands; I'm simply saying it's nonsense to keep burying four times as much energy inside your town while you're digging up one quarter as much at great expense and environmental impact to ship it to Houston to be processed and to move back into town to use it.

The Acting Chair (Mrs. Carol Mitchell): Thank you. John?

Mr. John Yakabuski: Thank you very much, Rod. As I said, it's great to see you, and it has nothing to do with the fact that you're the last presenter of the day. Great presentation. I've always been intrigued and believed that we have done very little to advance the cause of extracting energy from waste; we just continue to bury it. So I think that whatever you're doing there is very positive. In fact, our last presenter from Renfrew hydro also talked about using municipal solid waste to generate some energy.

Am I correct in what you're asking for here is that we should include energy from waste as part of the FIT program, that we should be paying rates commensurate with some of the renewables that are in the FIT program? Is that what the issue is here? I didn't actually hear an ask.

Mr. Rod Bryden: The ask is only that the act be implemented quickly, as it's written. The way it's written, the minister may make regulations defining materials in addition to the listed materials that are renewable energy sources. There has been lots of discussion. I believe it is the intention that municipal solid waste would be

designated as one of those; I hope so. That has to be done by regulation, and we agree with that.

Mr. John Yakabuski: So that's the issue, to include municipal solid waste as part of the materials that are eligible?

Mr. Rod Bryden: Yes, under the regulation, not as a listed material. We also agree there should be very specific rules about how you do that in order to be sure that the unique characteristics are dealt with.

Mr. John Yakabuski: Understood. Thank you very much. I appreciate that.

The Acting Speaker (Mrs. Carol Mitchell): Thank you, Peter?

Mr. Peter Tabuns: Mr. Bryden, thanks for the presentation. Can you tell us any more about these discussions you've had about the potential designation of MSW as a source of renewable power with the ministry?

Mr. Rod Bryden: Yes. These discussions have been going on for about two and a half years, not uniquely after this act was passed. The discussions initially were with the Ministry of the Environment. The emissions standards that we identify here: We believe the Ministry of the Environment would tell you they are enthusiastic—not just satisfied—for us to meet those standards.

We've had discussions with staff of the ministry to ensure they understood the impact on the elimination of methane and that they understood the fact that it is baseload and that these plants are designed, at considerable cost, to fit in a community so that the power is available in the distribution grid and doesn't put demand on the transmission grid.

So our discussions have all been substantive to try to ensure that they understand that there is a different method of dealing with waste other than burning it—to get electricity. And that while burning may well be fine—we're not saying it isn't—conversion is quite different. It's recognized in California; it's recognized in Europe; it's recognized in a number of states in the US. We qualify under the DOE energy programs because it's conversion. We're hopeful that Ontario will recognize there is new technology and they should be opening the door for it; not requiring it but permitting it to be used in Ontario and paying an appropriate price for the power.

The Acting Chair (Mrs. Carol Mitchell): Thank you, Yasir?

Mr. Yasir Naqvi: Mr. Bryden, you talked about some of the job creation aspect of the technology. Can you elaborate a little bit further on the economic development aspect of what you've been working at, and where you are in terms of commercializing this great technology?

Mr. Rod Bryden: Where we are is that the Trail Road plant, which is the one you saw the picture of, has taken more than a year longer than we had intended to complete the commissioning and to correct the materials handling and other mechanical issues which, when we built the plant initially, were not adequate. They worked, but not sufficiently to run the volumes that we need. That's taken us nearly a year more and about \$15 million more than we intended. Nonetheless, the plant is now performing and we are now in the position where we're willing to take on the responsibility of firm contracts to process waste for a price and in volume. We do have a specific contract to implement, and a site provided and all that, in Red Deer, Alberta.

As I mentioned, the city of Ottawa unanimously voted for us to do that here, and there's a site south on Moodie Drive that is selected for a 400-tonne-per-day plant. There are several others—double-digit numbers of plants—in both Canada and the United States and outside.

The economic impact will be at two levels. One is that in every one of those plants, what we take is garbage; a demand for power and a technology has been developed. That plant will employ between 35 and 55 people; roughly two people for every megawatt of power output. So it does directly convert the power demand in Ontario and the garbage that Ontario is trying to find ways to deal with in an environmentally friendly manner into two person-years of full-time, quality employment. These aren't people picking through garbage; these are people making between \$50,000 and \$80,000 a year converting it into electricity.

The Acting Chair (Mrs. Carol Mitchell): Thank you very much for your presentation.

Mr. Rod Bryden: Thank you.

The Acting Chair (Mrs. Carol Mitchell): The committee will meet again on Monday, April 20, in Toronto at 2 p.m. For the members, committee will be meeting in room 151.

The committee adjourned at 1647.

Continued from overleaf

Eco Alternative Energy	G-603
Mr. Ron Kortekoas	
Arnprior Region Federation of Agriculture; Ontario Federation of Agriculture	G-604
Ms. Debra Pretty-Straathof	
Canadian Solar Industries Association	G-606
Ms. Elizabeth McDonald; Mr. Wes Johnston	
Utilities Kingston.....	G-609
Ms. Nancy Taylor	
Renfrew Power Generation	G-610
Mr. Charlie Jamieson	
PlascoEnergy Group.....	G-612
Mr. Rod Bryden	

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Oraziatti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Oraziatti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Ms. Laurel C. Broten (Etobicoke–Lakeshore L)

Mr. Phil McNeely (Ottawa–Orléans L)

Mr. Reza Moridi (Richmond Hill L)

Mr. Yasir Naqvi (Ottawa Centre / Ottawa-Centre L)

Mr. Peter Tabuns (Toronto–Danforth ND)

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke PC)

Also taking part / Autres participants et participantes

Ms. Lisa MacLeod (Nepean–Carleton PC)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. James Charlton, research officer,
Research and Information Services

CONTENTS

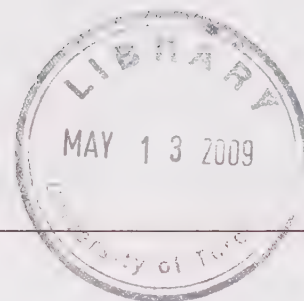
Thursday 16 April 2009

Green Energy and Green Economy Act, 2009, Bill 150, <i>Mr. Smitherman</i> / Loi de 2009 sur l'énergie verte et l'économie verte, projet de loi 150, <i>M. Smitherman</i>.....	G-551
Association of Municipalities of Ontario.....	G-551
Mr. Peter Hume; Mr. Scott Vokey	
Switch.....	G-553
Mr. Ted Tsu; Sister Bridget Doherty	
Canadian Owners and Pilots Association	G-556
Mr. Kevin Psutka	
Net-Zero Energy Home Coalition.....	G-558
Mr. Gordon Shields	
Canadian Renewable Energy Alliance	G-560
Mr. Roger Peters	
Ottawa Real Estate Board	G-562
Ms. Linda McCallum	
Glengarry Federation of Agriculture	G-565
Ms. Wendy Beswick	
Canadian Wind Energy Association.....	G-567
Mr. Robert Hornung; Mr. Sean Whittaker	
Save Our Skyline	G-570
Mr. Lou Eyamie	
Ms. Carmen Krogh.....	G-572
Upper Ottawa Valley Forest Industry Alliance	G-575
Mr. Leo Hall	
Friends of the Earth Canada	G-577
Ms. Beatrice Olivastri	
Ontario Sustainable Energy Association.....	G-580
Mr. Kristopher Stevens	
Renfrew County Federation of Agriculture	G-582
Mr. George Heinzle	
Cement Association of Canada.....	G-583
Mr. Michael McSweeney	
Greater Ottawa Home Builders' Association	G-586
Mr. John Herbert	
NAIMA Canada	G-589
Mr. Stephen Koch	
Township of Bonnechere Valley	G-591
Mr. Bob Peltzer	
Lanark Federation of Agriculture	G-594
Ms. Andrea McCoy-Naperstkov; Ms. Lillian Drummond	
Council of Canadians	G-596
Ms. Andrea Harden-Donahue	
EnviroCentre.....	G-598
Dr. Dana Silk	
Pembina Institute	G-600
Mr. Tim Weis	

Continued overleaf

CA20N
Xc16
-G23

G-25



G-25

ISSN 1180-5218

Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Monday 20 April 2009

Journal des débats (Hansard)

Lundi 20 avril 2009

Standing Committee on General Government

Green Energy and Green
Economy Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 sur l'énergie verte
et l'économie verte

Chair: David Orazietti
Clerk: Trevor Day

Président : David Orazietti
Greffier : Trevor Day

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.



LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Monday 20 April 2009

Lundi 20 avril 2009

*The committee met at 1403 in room 151.*GREEN ENERGY AND GREEN
ECONOMY ACT, 2009LOI DE 2009 SUR L'ÉNERGIE VERTE
ET L'ÉCONOMIE VERTE

Consideration of Bill 150, An Act to enact the Green Energy Act, 2009 and to build a green economy, to repeal the Energy Conservation Leadership Act, 2006 and the Energy Efficiency Act and to amend other statutes / Projet de loi 150, Loi édictant la Loi de 2009 sur l'énergie verte et visant à développer une économie verte, abrogeant la Loi de 2006 sur le leadership en matière de conservation de l'énergie et la Loi sur le rendement énergétique et modifiant d'autres lois.

The Chair (Mr. David Oraziotti): Good afternoon, everyone, and welcome to the Standing Committee on General Government. For the purposes of members, I just want to make reference to information that's on your table. Research was asked to identify some information around intensity-based feed-in tariffs in France and Germany; I believe that was Mr. Tabuns. The information is in front of you. Research has done that. Thank you very much for putting that together.

Mr. Jerry Richmond: There's another one in the hopper.

The Chair (Mr. David Oraziotti): Okay, that's great.

FIRST NATIONS ENERGY ALLIANCE

The Chair (Mr. David Oraziotti): We'll start with presentations. Our first presenter is the First Nations Energy Alliance. Good afternoon and welcome. If you'd just like to state your name for the purposes of Hansard, you can begin your presentation.

Ms. Cherie Brant: Thank you, Chair, for allowing me to be here today. My name is Cherie Brant. I am counsel to the First Nations Energy Alliance and was asked to appear on their behalf today to make this deposition. I wanted to say thank you to all of the standing committee members here today as well for allowing us this opportunity.

The First Nations Energy Alliance was formed for the purpose of supporting First Nations to engage in renewable energy opportunities and to become successful proponents.

The FNEA welcomes the initiative of the provincial government and Ministry of Energy and Infrastructure to review current energy law and policy, and to look at ways to promote the ongoing development of renewable energy projects in Ontario. Bill 150, in our view, has the potential to dramatically reshape the way that First Nations and Metis are involved in the ongoing development of our lands and resources.

Last week you heard from other FNEA members, from Pic River First Nation and Walpole Island First Nation. Their presentations focused on three main areas surrounding the question of intergovernmental coordination in terms of addressing renewable energy matters, the potential shortcomings of the Renewable Energy Facilitation Office that's proposed in the current form of the GEA, and how we can promote prosperous reconciliation with First Nations and Metis through the ongoing development and use of resources on our lands.

The FNEA is also a member of the Green Energy Act Alliance, which I believe you've already heard a deputation from. We just wanted to put on the record that, as we are a member, we are in full support of the recommendations in the presentation that was made to you earlier in the week. You're also going to hear from another member, the Chippewas of Georgina Island, who will be presenting to you later on this afternoon. They're going to be talking to you about the cap rates proposed in the FIT program. We're also in support of their deputation.

Today, what I wanted to do was very quickly focus on two main technical points with respect to the GEA, and firstly illustrate an example of a potential problem or issue or barrier, and then ask the question of how the GEA will propose to resolve that issue, and leave it to the standing committee for further consideration. This relates to the Ministry of Natural Resources. The MNR has a water power site release policy which many of you may already be aware of. I've included it in the materials as well for additional reference. It deals with the development of water power sites in Ontario, in particular on crown lands.

In some cases, what you'll note from the policy is that with respect to certain rivers in northern Ontario, there is a limitation for development over 25 megawatts. Through the members of the FNEA, the question has been raised, where does this number come from? We've been told unofficially that it relates to an old Ontario Hydro franchising effort, that essentially they didn't have

an interest in projects below 25 megawatts, and therefore the policy had opened up the door to development under that threshold. There's also another policy called the northern rivers commitment. This also deals with and provides a limitation to water power development in northern Ontario. Again, there's another policy called the Moose River basin commitment. That also reflects and impacts water power development in Ontario.

What we're trying to understand is, how will the GEA be able to revisit those commitments and revisit those issues of water power development, which appears to be under supervision of the Ministry of Natural Resources? That's the one point I wanted to make, just to try to understand how a piece of legislation that appears to be under the Ministry of Energy and Infrastructure can have an impact on policies that are governed under the Ministry of Natural Resources.

The second point that I wanted to make was about the IPSP planning process. The GEA does not propose any amendments to this planning process; however, when the IPSP process and the OPA were first put in place by the Electricity Act, I think it's fair to say that the MOE did not envision First Nations and Metis taking such great interest in generation and transmission development at that time, nor did they envision that we would be looking to generation and transmission as an opportunity to stimulate our local economy.

1410

So far, the IPSP process itself is the only government-funded process that allows First Nations and Metis to participate in the policy development process, and that allows other stakeholders as well to participate in the ongoing policy development process.

Minister Smitherman had also issued a directive on September 17 that had asked the OPA to "consider the principle of aboriginal partnership" in generation and transmission. However, legally we're not sure how that analysis will really play out, because what they've done is they've asked the OPA to examine an issue that doesn't fall underneath the IPSP's current review obligations. So it's sort of coming out as a request to examine and take a look, but it's not really any hard-and-fast requirement that it be done underneath the IPSP planning process itself that will take place at the Ontario Energy Board.

For this reason, we have suggested that the Electricity Act could be amended as part of this process, in a catch-all fashion, to address ongoing development of the IPSP planning process. What we ask is that the GEA standing committee seriously consider the need to improve flexibility to the IPSP stakeholdering and analysis. We believe that clearly there will be a need in the future to provide an arena to address a broader range of stakeholdering issues and intergovernmental issues that affect the development of generation and transmission in Ontario.

In closing, I wanted to say that First Nations and Metis play an important role in the stewardship of our lands. The GEA has the opportunity to take another leap forward and tackle intergovernmental coordination, while at

the same time forging a new relationship with First Nations and Metis in the spirit of reconciliation. We ask that the standing committee not miss this opportunity to allow First Nations and Metis to play a more central role in this process. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much. That's time for your presentation.

Mr. Yakabuski, questions? You're up first.

Mr. John Yakabuski: Thank you very much, Ms. Brant, for joining us today, and thank you for your presentation. I have a question on the potential numbers here—1,400 that have been identified as being developable but a potential of 7,500. What is the gap? Would we be talking about the requirement to flood a lot of land to go beyond that? What is the reason for saying there's a potential of 7,500 but the IPSP only talks about 1,400? Is there a geographical reason for the gap, or is it strictly a jurisdictional and a quasi-political difference?

Ms. Cherie Brant: This information was taken from the OPA analysis, so I've provided that for you for additional information. I can tell you, what that document suggests is that 4,600 of the 7,500 that are available are impacted by current First Nations and federal policies, so basically, they're not immediately attainable. Those 4,600 megawatts are subject to the northern rivers policy as well as the Moose River basin commitment. So those two commitments are impacting the ability to get at that full 7,500. Really, what you're left with are 1,400—this is all approximate numbers—that is available right now that is not subject to parks policy or First Nations commitments that have been made between First Nations and the provincial government.

The Chair (Mr. David Oraziotti): Thank you. Mr. Tabuns.

Mr. Peter Tabuns: Thank you very much for the presentation today. I'm not familiar with this northern rivers commitment or the Moose River basin commitment. Can you tell us how they came to be and what their objects were?

Ms. Cherie Brant: Unfortunately, I don't exactly know how they came to be, but I do know that they are having a significant impact on the development that's taking place right now. What I understand is that if Ontario is trying to really analyze how to address barriers to development, some analysis needs to go back and revisit those commitments and understand what the original purpose was, bearing in mind that at the time of when those policies were put in place we were under a completely different framework. We were under an Ontario Hydro format and we were under somewhat of a more franchised format. We didn't have the competition that we're trying to promote today. So I leave that with you as the point, that we're really just trying to say, let's go back and let's figure out how the GEA can go back to those documents. It's not clear that the GEA, under the Ministry of Energy and Infrastructure, can reopen those commitments.

What I've seen, as well, is that through the IPSP planning process, what the OPA has done—and it has

sort of had its arms tied a bit—is it can really only say, “We recommend further analysis into this area. This is what’s holding up that.” It doesn’t really have the ability to drill down and problem-solve in the way that we feel would be more timely.

The Chair (Mr. David Oraziotti): Thank you. That’s your time, Mr. Tabuns. Ms. Broten?

Ms. Laurel C. Broten: Thank you very much for your presentation. We had some presentations from some members of the FNEA last week as we were travelling in the province. One of the comments that was made was with respect to the challenge associated with moving forward with renewable energy projects when you had both provincial approvals that were needed and federal approvals as well layered on top of that. One of the suggestions that was made was that we find a mechanism whereby, as proposed in this act, a renewable energy facilitator would have some role to interface with the federal government with respect to those approvals. I wanted to see if you had any comment in that regard.

Ms. Cherie Brant: Thank you for mentioning that again. That is definitely an area that the FNEA is greatly concerned about, because what it does is it also raises the point that First Nations and Metis, being another party to that process—provincial, federal, and First Nations and Metis—in an ideal framework there would be a system in place that would allow those parties to get together and problem solve in a meaningful way. I know that in one of our presentations last week a ministers’ committee, I believe, was one of the options. From our perspective, the idea was that there needs to be something that’s above the different ministerial departments or else we would just envision that it may not be as efficient as something that was above those different ministerial departments could be.

The Chair (Mr. David Oraziotti): Okay, that’s time. Thank you very much for your presentation and for coming in this afternoon.

Ms. Cherie Brant: Thank you very much to all of you.

DEREK PAUL

The Chair (Mr. David Oraziotti): Our next presentation, Derek Paul. Good afternoon, sir, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five minutes for questions from members of the committee. State your name for the purposes of the recording Hansard and you can begin.

Dr. Derek Paul: My name is Derek Paul, and on the front cover of my brief and the inside cover there’s some introduction to what I do. I’m going to skip that for now and, in the sake of saving time, get right down to the beginning of the discussion of Bill 150, which I welcome, as indeed the previous speaker did. But I do find some major defects in it. It permits many things but doesn’t mandate enough. It needs a strong mission statement of its goals, which I think is entirely lacking—

that’s my recommendation 3 in the brief—and it lacks any hint of a forward-looking process within government for envisioning a sustainable future and setting the course of the whole province toward that sustainable future. I’ll come back to that point.

1420

I now want to briefly talk about three types of government action. The first type is the simple one where you don’t have any infrastructure that you need to build in order to do something and you can simply make the decisions. There are a great many decisions that could be made in Ontario today which would beneficially affect the electrical system, energy and climate change that are not being done, and I’m going to give only one example. The example is that of the hydroelectric facilities in Ontario that already exist—the small ones—that are not in operation. I consulted some non-governmental groups on this and was informed that the total amount of idle hydroelectric facilities in Ontario is about 1.7 gigawatts. If this could be brought back into operation much more cheaply than installing major facilities such as nuclear reactors, it would give the opportunity to cut back on coal emissions and therefore greenhouse gas emissions very significantly.

The second category is the kind where you do have some infrastructure building to do. This is illustrated, for example, by the smart grid, which is one of the main focal points of Bill 150. I did find, however, that the bill was weak on this point. It permits the establishment of the grid; it doesn’t seem to mandate it very strongly, and so I’ve written recommendation 12, which you’ll find on page 17.

The third kind of situation that the government should be in, and isn’t, is that of envisioning and planning a sustainable future. Here you need to do research and build whatever infrastructure is needed and then implement it. This is entirely missing from the bill, and my main recommendation arises from that. It’s recommendation 1 on pages 16 and 17. I recommend that the bill should require the government of Ontario to set up a high-level futures research group whose job would be to envision realistic and desirable future scenarios, and to find routes: How you get from where we are now to where we want to be in 30 or 40 years time.

Recommendation 4 supplements recommendation 1 by referring to processes for doing this. There are now known processes for envisioning a desirable future and filling in the gaps from here until then. In fact, there’s a company in Calgary called Foresight Canada that does this.

What sort of thing would such a research group do? Here’s an example: One of the things this research group would do is that it would project transportation in Ontario forward 40 years. It would look at all the aspects that affect transportation, including land use planning, and come up with a route from how we get from where we are now to where we want to be in 40 years’ time. This is my recommendation 5 in the group.

Now I’d like to change the subject a bit onto renewable energy, and if you would be kind enough to turn to

page 7 in my brief, you will see a rather nice graph which plots the installed nuclear power, wind power and solar voltaic power in the world—this is global; it's not Ontario—as a function of the years. The fascinating thing is that these increases are exponential, which means on a semi-log plot it's a straight line. The nuclear is going up very slowly, the wind very fast and the solar voltaic is going up even faster. I've extrapolated the wind and the photovoltaic, but you shouldn't take that seriously. They may not follow straight lines.

What's missing from this graph is the solar thermal, and my next most important recommendation, which is recommendation 2 in my brief, asks the government of Ontario to do research in the solar thermal, either on its own or collectively with other governments or institutes, and to attempt to get rights-of-way to transmit solar thermal from southern deserts into Ontario. This will play a very important role in Ontario's electrical future, if it can be done successfully.

There are 22 other recommendations in my brief; I'll only mention three.

Recommendation 10 calls for collaborative research and sharing of inventions.

Recommendation 21 asks for broadening the concept of co-operative corporations, and incorporating that broadened view into Bill 150 and the Co-operative Corporations Act.

Recommendation 22 demands a much stronger building code, because what we're building now in Ontario is suitable for today but it's not suitable for 20 years from now, and it will be very unsuitable for 40 years from now. We build houses to last 75 or 100 years, so we're making a lot of mistakes.

I'd be delighted to entertain questions.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns, you're up first.

Mr. Peter Tabuns: Derek, thank you very much for coming and making the presentation. The first question is about the scale of idle or defunct small hydroelectric power. You indicated potential power generation from those. Could you express that in megawatts?

Dr. Derek Paul: Yes, 1,700. According to my informant, who I think is quite reliable, there is a great deal of idle—something fell into disuse, maybe a weir or a dam or something, but it's all here in southern and central Ontario. Putting that back into operation would be the first thing I would like to see done, in the interests of greening the energy scene. It should be very easy to do, in most cases. My figure is not, of course, reliable; it's a second-hand figure.

Mr. Peter Tabuns: Okay. The second question I'd like to ask: Going through your paper, you refer to the nuclear power plants that have been put forward as prototypes, ones that we are taking a risk on. Could you speak to the fact that these aren't fully developed?

Dr. Derek Paul: Yes. It's a fact of the nuclear industry. And I've known many people; I knew W.B. Lewis himself, and I've known leaders in the development of the metallurgy required for these reactors. It's certainly

true in the British scene: Every nuclear reactor the British built for a long, long time after they started in nuclear power was a new type, so essentially it was to some degree experimental.

In Ontario, we did a little better. We built eight the same at Pickering, and they turned out to be less good than we expected. I'm told by people—and again, this is second-hand information—that there's dissatisfaction also with the Darlington ones, though they seem to me to be working fine.

It is like that: Every time you build a different reactor, there's a sense in which it's experimental or a prototype. You don't find that in the automobile industry. When they first put on a new model, it's been tested hundreds of thousands of miles in terrible conditions and so on. You don't have the luxury of doing that with nuclear reactors, because they're too expensive. You can't build two or three, try them for 35 years and say—

The Chair (Mr. David Oraziotti): Thank you. I'm going to have to stop you there. That's time for questions. Ms. Broten.

Ms. Laurel C. Broten: Thank you for coming in. I have two questions arising from your brief. The first is on page 11, where you refer to "Page 19: 7. Feed-in tariff program" and you make mention that "Not all feed-in tariff programs that the minister may want will necessarily be feasible; at least, they may not be feasible at short notice. That is, the minister may want something to be accomplished that cannot be obtained/attained on the desired timescale." Can you just expand on your statement?

Dr. Derek Paul: Not really, no. It just seemed to me that there was some kind of implication that this would be automatic, and I just wanted to point that out. It's not an important comment, as the whole brief goes. It's just that I thought that maybe the writers of the brief thought that that sort of thing is automatic. It's a very, very minor comment; I didn't put any stress on that.

1430

Ms. Laurel C. Broten: Okay. With respect to the Co-operative Corporations Act, over the last number of days of hearings we've heard individuals coming forward from the co-operative community who want co-operatives to be defined as a community. One of the issues that they've raised with us is with respect to the fact that they would like to be defined as a community-driven project even though the members of the co-operative would not live within the geographic area surrounding the community. Do you have any comments with respect to that definition?

Dr. Derek Paul: Yes. I think the definition needs to be broadened so that it includes that but also includes a lot of other things. What I had in mind when I wrote that was that in Canada we tend to build up industries one way or another and then lose them because they go abroad—or the production goes abroad. I think co-operative corporations have the potential, in the long term, to keep industry in Canada where we want it, where we need it. So I would agree with including what you're

suggesting but also having it broad enough that you can include the other. So it needs to be a very broad range of types of co-operative that is permitted under the law—or recognized, I should say, under the law.

The Chair (Mr. David Orazietti): Thank you. That's time for questions. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Mr. Paul, for joining us. It was a very interesting presentation covering a lot of things that I wouldn't have thought about, myself. It would be interesting; perhaps we can get something from legislative research, if there's a compendium of idled hydraulic plants in the province, because that sounds like a significant amount, 1,700 megawatts. It would be good if we could get a compendium of that historically and what the standing and condition of those plants may be today.

You also make a comment in your presentation with respect to wind. We know that the wind has one primary weakness, and that's the on-off nature, as you spoke of here. But you also said that it "becomes difficult to manage within any grid when it reaches between 8% and 18%...." Can you broaden that—

Dr. Derek Paul: Yes. If wind is giving you 18% of the power, on average, that means that it's going to be giving you roughly four and a half times that much at the peak, which means it's going to be giving you all your power on the peak and then you have to have all these other reserve sources of power for when the wind isn't blowing. That really shows you that if you are not going to go in for massive amounts of storage of energy, the highest you can go to with wind is somewhere around 18% to 22%, and then you have to have all the other forms of power, ones you can switch on when you switch the wind off. In Germany, they've reached somewhat over 8% and they're already predicting it's going to be very difficult to get to 18%, which is where they want to go to. It means you have to switch wind from one end of the country to another and so on. You can have all of the power by wind if you're willing to have massive amounts of wind power when the wind is blowing and then use it to pump water up into reservoirs. They've suggested using huge reservoirs in Norway, in the fjords and mountains, and then using the water power when the wind isn't blowing.

The Chair (Mr. David Orazietti): Thank you, sir. That's time for questions.

Mr. John Yakabuski: As the lady says to her son on Enterprise Rent-A-Car, "Sounds expensive."

The Chair (Mr. David Orazietti): Thank you, Mr. Yakabuski, for that. That's time for your presentation, sir.

ONTARIO BAR ASSOCIATION

The Chair (Mr. David Orazietti): Our next presentation, the Ontario Bar Association. Good afternoon and welcome to the Standing Committee on General Government.

Ms. Dianne Saxe: Good afternoon. I'm Dianne Saxe. I'm here on behalf of the 18,000 lawyers of the Ontario

Bar Association. As you can imagine, getting 18,000 lawyers to agree on anything is no mean feat.

You have a lengthy presentation from us. In addition, you have a one-page summary of the recommendations, which are in the order, roughly, that they're dealt with in the presentation. They come in three general flavours: clarity, transparency and effectiveness.

Being lawyers, of course, clarity is near and dear to our hearts, and there are a number of areas in the bill that our members have already identified as good ways for us to make money. Any time the law is unclear, we make money. Generally speaking, that's not good for anybody else.

The recommendations we have that are specifically relating to clarity are 1, 2, 5, 8, 9 and 11—and I could leave these notes with somebody afterwards, if they like. The ones dealing with transparency, which is, how does the public know what's going on—again, very dear to the hearts of lawyers—those are particularly numbers 10 and 14. Then finally, we have a series of recommendations having to do with the effectiveness of the bill: Will it in fact create the kind of transformation that you have in mind? That deals primarily with 3, 4, 6, 7 and 13.

A number of our recommendations, particularly those relating to clarity, we think are dead simple. You should, for example, have rules that tell people, if they make a change to the project, do they need to get a new permit? Do they need to amend the permit? This is a pretty small point, but in the real world there's a terrible problem, because particularly with new technologies it's very hard to predict in advance exactly how all the pieces are going to work. We need some clarity as to how much flexibility people are going to have; they need to have it.

A similar thing which we think is really simple, small and should be in the bill easily is the question about equipment to collect information. As you may be aware, there are a lot of provisions in here for if you get your renewable energy approval, you're exempt from municipal zoning. How do you get your renewable energy approval? You need all kinds of data. How do you get the data? You have to put a mast up. How do you put a mast up? You can't, because it's governed by the zoning. That's the kind of small thing that we think is easy and you should fix.

Similarly along the easy line are questions of access to information. Right now, your bill provides for the Environmental Commissioner to provide a really important public oversight role, but he or she can't get the information they need because the facilitator, who has the information, has to keep it confidential from the Environmental Commissioner. I think this is silly.

Similarly, we've got a well-established regime in Ontario under the freedom of information act as to what sorts of things should be confidential and what sorts of things the public has a right to know. Hazards to human health, the environment and safety are things that the public has a right to know. Your bill says that they're going to be confidential. We think you should use the same rule in different statutes on the same sorts of things.

Those are the easy ones, but there are some really hard ones here, and the hardest one of all is our recommendation number 1, which in fact deals with clarity, transparency and effectiveness. If you don't solve this, you're going to keep us busy for a long time—and on behalf of my children, I thank you, but really, you don't want to do this.

Right now, the bill says that the Ministry of the Environment—and I worked there for many years: wonderful people, a great place, but don't know anything about land use planning, right? It's not their jurisdiction, it's not the training of the people who work there and it's not been their job until very recently. Now they're going to have to do it under the Clean Water Act, but that's an elaborate process with everybody having to agree and years of plans. It's something where the ministry is already going to have grief, but only in relatively small areas—watershed protection zones, wellhead protection zones and so on—and it's going to be after years of consultation.

This bill is different. In this bill, you're making the Ministry of the Environment responsible for land use planning decisions on a large number of private sector activities in all kinds of places and you haven't told anybody how this is going to happen. You have set up a legal test in this bill which is different than the legal test the courts use for deciding, for example, what's a nuisance and what can go where, and you haven't told anybody how it's going to be resolved.

Now, when we get to questions, somebody might ask me what we think you should do. I can tell you right now that the 18,000 lawyers don't agree on what you should do. All I can say today is, you should tell us what you mean, because otherwise we'll be fighting it out in the courts and there will be terrible disasters where somebody spends a gazillion dollars getting an approval, builds the thing and then the court shuts it down as a nuisance, and that's bad for everybody but the lawyers. It's tough, but we think you should fix it.

That's a summary of what we have to say. If you have any questions.

The Chair (Mr. David Oraziatti): Thank you very much. Ms. Broten.

1440

Ms. Laurel C. Broten: Thank you, Dianne, for your presentation. I'm wondering whether or not in this presentation from the OBA this is a consensus position.

Ms. Dianne Saxe: Yes.

Ms. Laurel C. Broten: I'm wondering whether or not there are other areas—and I'm referring to comments that I've received with respect to the Condominium Act. Are you aware of discussions with respect to the Condominium Act, and are they not included because they don't meet that consensus position?

Ms. Dianne Saxe: I'm very sad to tell you that the reason the real estate section didn't get their comments in is that they didn't get a quorum at their meeting, so they missed our deadline. But there's no more substantive problem than that.

Ms. Laurel C. Broten: Okay. So that's why it doesn't flow through this process—

Ms. Dianne Saxe: The real estate section has to get its act together and get its submission in its own way.

Ms. Laurel C. Broten: Okay. Thank you.

With respect to the one-window approach, I had a chance to just look quickly at the detail that you've provided with respect to one-level approval. I wonder if you were here in the room when I was asking questions of Cherie Brant of the First Nations Energy Alliance with respect to the interplay between the federal and provincial governments and whether you had any comments in that regard when it comes to First Nations projects.

Ms. Dianne Saxe: I was here for the end of that submission. Certainly, it is very troublesome. We're not surprised that you're not dealing with federal issues, because you can't govern federal issues, but one of our constitutional points is that you don't deal with aboriginal rights in a coherent way in this bill. We point out that, for example, in the transit EA regulations you do specifically identify matters of provincial interest and aboriginal rights as being special circumstances that allow the clock to be stopped. That seems to us to be comparable to the sort of thing—you do need to explicitly deal with how you're going to deal with these or the court's going to do it for you. So you want to get out ahead there.

The Chair (Mr. David Oraziatti): Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Ms. Saxe, for joining us today. It's not very often that I can say—of course, Ms. Broten understands the profession much better than I do, but it's nice but unusual for lawyers to be coming in and clearing the air. But we're glad to have that submission, because the minister on one hand, talks about how this is a bedrock piece of legislation for this government and then, on the other hand, when we ask questions about it, he kind of dismisses us: "Don't you understand it?" But it's good to see that there are many people out there who don't understand components of the act or certainly don't see how they're going to work efficiently.

I don't have any direct questions, although I was looking over this service guarantee section because some of your verbal and written submissions cover some different areas. But it's interesting how the clock can start and stop and how this six-month guarantee could become sort of a moot point, even though the minister likes to talk about these things when he's promoting the act to the general public and how well it's going to work. But it's good to see that there are people who are actually examining this and saying, "You know what? It's not as simple as that." So we do appreciate your input.

Ms. Dianne Saxe: Thank you very much, committee.

The Chair (Mr. David Oraziatti): Sorry; Mr. Tabuns.

Ms. Dianne Saxe: Oh, sorry.

The Chair (Mr. David Oraziatti): It's okay. We're just about done.

Mr. Peter Tabuns: I always get left to the end, and then people leave and it's brutal.

Anyway, thanks very much for the presentation. It's useful and there are a lot of practical things in here that I hope the government will bring forward, just to make

sure the bill is clean and not confusing so that we don't keep people heavily employed in the courts: Bleak House applied to the environmental situation.

You mention here the whole question of aboriginal claims, and the First Nations environmental electricity group spoke about the need to respond to aboriginal claims, not just those that have been settled but those that have been asserted, and not just to consult but also to accommodate. Do you have any commentary on their position?

Ms. Dianne Saxe: Remembering again that I am working from a consensus group, I think we can say that the approach that's been taken in the transit EA is one that sets a precedent that at least the province is already trying to work with, and that deals with aboriginal rights, not aboriginal claims. The more you multiply approaches for dealing with similar issues, the more confusing you make it, the more busy you keep us. So I'm not saying that the transit EA was the right decision, but at least it's the one that has already been chosen and it's the one where a number of important decisions are being made, so it would be a good place to start.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation this afternoon.

Ms. Dianne Saxe: Thank you very much.

CHRIS CHOPIK

The Chair (Mr. David Oraziotti): Our next presentation is Chris Chopik. Good afternoon, sir. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five minutes for questions from members of the committee. Please state your name for the purposes of Hansard and you can begin.

Mr. Chris Chopik: Chris Chopik. I'm going to keep my presentation short so that I can ensure that everyone's got enough opportunity to ask questions.

There's a small bio here for those who are interested in reading it. I'm a realtor, vice-chair of the Toronto Real Estate Board's green task force and an instructor at real estate boards across Ontario.

As an informed Ontarian and supporter of the Green Energy Act Alliance who has lived here in Toronto for my entire life and plans to live here for the foreseeable future, I'm in complete support of the Green Energy Act from all perspectives.

As an instructor of realtors across Ontario, I can say with absolute confidence that Ontarians who are doing the right thing for themselves and the environment have not seen the real estate industry being effective at putting a value on home energy efficiency. In the last year I have spoken to roughly 1,700 realtors in training contexts. Every time I teach a course, I ask people to put their hands up: "Who has sold a house with a geothermal heating system?" I ask those same folks to tell me, "Who has received a premium from the marketplace?" I then ask what was the reason that they did not, because the consistent answer was they did not. The reason that they did not was because the buyer market does not understand energy performance.

The reason a mandatory energy label is so critically important is that there is no market mechanism to ensure that energy enters into the conversation within the purchase and selling process. There are no court cases where realtors have been sued for nondisclosure of energy performance. Banks do not account for the true cost of operating when assessing the debt service ratio for qualifying mortgage borrowers.

The consuming public deserves to be protected from unknown energy costs today. In future, it's generally accepted that energy prices will continue to climb. This means that there is going to be more exposure of individuals to the effects of energy inflation. The Ontario housing market will be more resilient in the face of energy inflation while the mandate affects the acceleration of energy retrofits in existing buildings. This will help protect the future value of housing stock in the Ontario marketplace and the quality of life of Ontarians.

The Ontario Real Estate Association's position on the issue is impotent, in my opinion. It is not well informed, it does not show desire to protect the long-term real estate interests of Ontarians, and many of the objections are empty. I have had the opportunity to speak with hundreds of realtors who share this opinion.

There are a few points that OREA raises that warrant further discussion. I strongly recommend that the government enter into a consultative process with organized real estate to ensure that a process for implementing this label is created that will work within the real estate business and each transaction. I met with the finance ministry last August to discuss the possibility of incorporating a database field for energy labelling in MPAC. It seems as though that's a possibility, and I suggest that you pursue that.

Finally, in addition to pure energy measurements, there are many other issues that are facing property owners, municipal governments, and, increasingly, environmental issues that relate to insurance. I think that it's appropriate to look at incorporating water conservation issues, issues such as the presence of trees, into this label.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns? Pardon me; Mr. Yakabuski.

Mr. John Yakabuski: Trying to skip me.

The Chair (Mr. David Oraziotti): I wouldn't do that.

Mr. John Yakabuski: I was on to you. I know we wanted to get Peter first, but next time, Peter.

Mr. Peter Tabuns: Next time. I know, my time will come.

Mr. John Yakabuski: Thank you very much for your presentation today, Mr. Chopik.

Mr. Chris Chopik: My pleasure.

1450

Mr. John Yakabuski: On the issue of energy audits, while it may be—and I would suggest it would be—helpful to any homeowner to know what the energy efficiency or lack thereof of their home is, the issue in this bill is not finding that out about homes, it's that it only injects that into the mix at the time that someone is trying to dispose of their home. They're not in the bus-

iness of trying to upgrade their home at that point. They've made a decision; they want to move on. Some can afford it, some can't. In fact, some people today who have lost their jobs would probably be in the least—I was listening to people on the radio today saying, "I'm a month away from losing my home. I hope I can sell it before then." That's the kind of situation some people are in today.

The other side of it is that there is no requirement, with respect to this energy audit, for anyone to invest a single nickel if, for example, they were to have the price reduced because of the fact that the home scored lower than the buyer had hoped. There's no requirement to invest any of that into energy efficiencies in the home. I'd like you to comment on those two if you could.

Mr. Chris Chopik: Okay, so requirement on energy efficiency investment first: You're absolutely right. Right now, there is no conversation about energy. When I take you to purchase houses, we may see objectively similar properties. One may cost \$600 a month to operate, and the other may cost \$200 a month to operate. It's the same as when you go to purchase a car. By law, consumers are disclosed the miles per gallon or litres per 100 kilometres. I believe that it's appropriate to disclose energy performance—

Mr. John Yakabuski: Not of that specific model. There's a difference.

Mr. Chris Chopik: Okay, sure. Then we can get into a debate with NRCan about whether HOT-2000 is as good as HERS in the US. Those issues aside, because we're dealing with the law of the land in Canada, which is EnerGuide, there are some imperfections within that system. But disclosure and having the conversation with the customer will elevate the demand and create a marketplace where people who invest their hard-earned dollars in home energy efficiency, which benefits us as a society and benefits them individually, then are in a position to enable my industry, the real estate industry, to put a value with greater ease on somebody's investment of \$35,000 in a geothermal heating system, as an example.

The Chair (Mr. David Oraziatti): Thank you, Mr. Chopik. That's your time for questions. Mr. Tabuns.

Mr. Peter Tabuns: Chris, thanks very much for the presentation and the background information. I've been puzzled by the Ontario Real Estate Association's approach on this. I assume you've been involved in discussions with other realtors. What's driving them on this?

Mr. Chris Chopik: I don't get it either, frankly. I'll cite a specific example. This is a document that came from OREA, and some of you have this. Item number 2 is that one of their objections to mandatory labelling is that "those sellers who can afford expensive retrofits will want a premium sale price." Well, that's the reason I have a job. My job is to put a value on these things. I am very puzzled by OREA's position. I think that it's also ineffective at getting a job done. We could be consulting in a positive way on how to make this work, rather than putting up relatively empty objections. I think that's the problem I have with OREA's position.

Mr. Peter Tabuns: One of the statements that was made in Ottawa by the OREA speaker was that buyers can now tell how much energy is being consumed by looking at the bills that a homeowner can present for their gas, electricity and so on. Do you find that a reliable guide?

Mr. Chris Chopik: Well, my human experience is that some sellers are very organized, and I can ask them for their property file, which includes all sorts of very organized data, and others are disorganized. So 25% of my clients will have that information readily available and easily accessible, others will have to go find it, and some won't be able to find it at all. In my industry, those who don't want to participate in helping sellers put a higher value on energy performance aren't doing that every day today. They've had a chance to do it in a compliant manner, and they've failed. We have failed as an industry in Ontario.

The Chair (Mr. David Oraziatti): Thank you. Ms. Broten.

Ms. Laurel C. Broten: Thank you, Chris, for your comments and your paper. I want to focus on two things: One is, with respect to section 112 of the Condominium Act and the challenges that that's creating, just see if you can expand a little bit on how you would propose that that would be remedied. The second question is, as a realtor, can you think of any circumstance where a purchaser would not care about the energy rating of a home?

Ms. Chris Chopik: A purchaser who's planning to tear a house down or tear it apart would not care, although, if the grants continue into the future, then there would be a reason to have a pre-audit if you're going to do a gut reno on a property. I think that through that dialogue that I'm recommending with real estate, there are things that we'll discover and properties that may be exempt. In fact, there may be legal work to the whole process.

With respect to section 112 of the Condominium Act, I've been part of some community groups that have been cultivating interest in solar in Toronto, particularly, and there is a lot of interest for multi-unit residential buildings, including co-ops and condominiums. The act currently does not allow for conditions that would enable a condo board to make a decision to invest in solar PV, for example, or geothermal heating, and to create a circumstance that a lender is going to be comfortable lending against, despite the fact that the mechanisms in the act to provide a profitable and sensible allocation of resources exist.

Ms. Laurel C. Broten: Thanks very much.

The Chair (Mr. David Oraziatti): Thank you very much for your presentation. That's time for questions.

BLUE GREEN ALLIANCE CANADA

The Chair (Mr. David Oraziatti): Our next presentation, Environmental Defence and United Steelworkers union national office.

Good afternoon, Mr. Neumann. How are you?

Mr. Ken Neumann: Good. How are you? Good to see you again.

The Chair (Mr. David Oraziotti): Mr. Smith.

Dr. Rick Smith: How are you?

The Chair (Mr. David Oraziotti): You have 10 minutes for your presentation and five minutes for questions from members. Just state your names for the purposes of Hansard, and you can begin when you like.

Mr. Ken Neumann: Thank you very much. My name is Ken Neumann. I'm the national director for the United Steelworkers in Canada. We represent about 250,000 members across the country, roughly 80,000 of them here in the province of Ontario. Our members work in almost every sector of the Ontario economy, including universities, health care, security, banking, transportation and hospitality, as well as the forest industry, mining, primary steel and secondary manufacturing.

I am very proud to be able to present to this committee today alongside Rick Smith, who is the executive director of Environmental Defence, one of the most effective and innovative environmental groups anywhere in the world. I am also very proud that my union and Environmental Defence have agreed to establish what we will call the Blue Green Alliance to work together on projects to advance the goals of environmental and economic sustainability, which we believe must go hand in hand.

The official launch of our alliance is scheduled for later this week and you're all invited, but today's important hearings on the Green Energy Act are a suitable occasion for what might be considered our public debut. I'm very pleased that we have this opportunity to present our views on this legislation and how it could be part of an extremely important effort to rebuild our manufacturing economy while also cutting emissions of greenhouse gases.

Many Steelworker members in Ontario and across North America work in some of the most energy-intensive industries, and they face the prospect of serious adjustment to a world committed to preventing catastrophic climate change. But they also stand ready to produce the next generation of clean energy products and parts, such as steel for windmills or glass for solar panels. Our union called for concerted effort to avert global warming as far back as 1990, when we published an environmental policy called *Our Children's World*.

I will focus my comments on the promise of green jobs and the need for concrete policies to make sure that the jobs are in fact created in Ontario. I don't have to remind members of the Ontario Legislature of the devastation that has hit this province's manufacturing. We have seen hundreds of thousands of jobs disappear in the manufacturing and forestry sector. The pace of layoffs and closures has only accelerated in the past few months, and while I hope that the economy will soon begin to turn around, it would be foolish to think that unemployment will not continue to rise for some time to come. This makes it all the more vital to use every available tool to save and create jobs here in Ontario, especially as we reshape the economy to be sustainable in this new age of a warming planet.

On page 20 of Bill 150, as part of schedule B, section 7, there are two very important words: "domestic content." In this section, the proposed legislation would grant the Minister of Energy authority to direct the Ontario Power Authority to incorporate goals for domestic content in its programs of feed-in tariffs for renewable energy projects.

We see this as an encouraging indication of the Ontario government's commitment to ensure that the transition to new forms of power is accompanied by significant economic benefits for Ontario workers and their families. We believe there is tremendous scope for these benefits in design, engineering, manufacturing, construction and operation, but also reason to believe that affirmative policies are necessary to guarantee that they are achieved.

1500

A useful next step would be for Minister Smitherman to make available a draft directive setting out a schedule of domestic content requirements that are tailored for the different forms of electricity generation, and evolving over time. The specific levels would have to be set out in the context of available resources, especially manufacturing capacity, and should increase over time to drive capacity creation.

I think we can take note that our neighbouring province of Quebec has established a requirement that 60% of the costs of their aggressive program to procure large amounts of new wind power must be spent in Quebec. This is an example that can be drawn upon as Ontario builds its own policy appropriate for Ontario's unique manufacturing potential.

Thank you for your attention.

Dr. Rick Smith: Thank you, Ken, very much.

Mr. Chair and committee members, I'm also very pleased to be here today, for a number of reasons. I'm pleased to be able to voice my support for a bill that will help to ensure that Ontario does its part to fight global warming. I'm pleased with the bill's objective of bringing new green economic growth to Ontario. And I'm very pleased to be sitting here side by side with a leader from the Ontario labour movement to show a united approach to solving Ontario's economic and ecological challenges.

I'm just going to limit my remarks to a few areas today on the issues that this committee has heard in its deliberations. But generally, I wanted you to know that I offer my full support to all of the Green Energy Act Alliance's recommendations that have already been made to this committee. Significant time and resources have been spent to ensure that these recommendations are informed by global experts and represent a broad range of stakeholders. These recommendations, I think, properly implemented, will make Ontario a leader in renewable energy and conservation, reduce our greenhouse gas emissions and bring jobs to the people of Ontario. I think that these recommendations from the Green Energy Act Alliance will very much improve Bill 150, and I would commend those to your attention.

Just so we don't lose sight of the big picture that we're discussing in all the hours of deputations you've heard

thus far, I wanted to address some of the claims that this committee has heard in the past two weeks, in the hopes of providing just a little bit of clarity.

Some groups have come before you painting themselves as environmentalists and claiming—I think, strangely—that this act will hurt the environment. I just wanted to be perfectly clear that if Environmental Defence—if I thought that this act could in any way have a net negative impact to the physical environment or public health, I'd be singing a very different tune here today. I just wanted to point out the obvious, that established environmental groups across the province, across the country, of all shapes and sizes, including the David Suzuki Foundation, World Wildlife Fund Canada, the Pembina Institute and others, support the direction and vision of the Green Energy Act. All of these groups represent the environmental and the public's interests, and we are not financially motivated. Our message is clear: The Green Energy Act is a powerful mechanism for putting Ontario on the right track toward a sustainable energy future and ensuring the long-term protection of our environment and public health.

We're not interested, of course, in siting facilities that will threaten Ontario's sensitive ecosystems. I sat here in this very room, deputing on the Endangered Species Act, not that long ago. We're not interested in injuring endangered species' habitat, parks and important agricultural areas, and certainly we'll work to ensure that scientific determinants are used to protect public health, based on best international practices.

This act empowers the Ministries of the Environment and Natural Resources to outline rules for siting these facilities. Please rest assured that Environmental Defence and our fellow environmental organizations and our allies in the trade union movement will make sure that these rules are developed for the good of the public and the environment.

Secondly, people have presented this committee with various so-called facts about other jurisdictions that are just not true. The committee has been told that renewable energy has not in fact reduced Germany's emissions. Well, this is easily google-able, if that's a word—

Interjection: It is now.

Dr. Rick Smith: It is now—in this day and age. It's not true. In 2007, the German government reported overall emissions were down 2.3% over the previous year. In 2007, the German ministry of the environment reported that 117 million tonnes of CO₂ were avoided through the use of renewable energy for electricity, heat and transportation. In Denmark, renewable energy has helped reduce CO₂ emissions by 31% from 1990 to 2007, and emissions from coal plants were down 41% over that same time. So this allegation that somehow there's no relationship between renewable energy and decreases in greenhouse gas emissions are not only counterintuitive, they are, in fact, untrue.

In closing, I have deputized to many committees at Queen's Park over the years on various issues. All of these issues were, of course, important, but I think this

bill has the potential to be truly transformative. This is a moment when new things are possible—new alliances between groups such as ours, which, frankly, over the years have been at odds on some issues but are here today, standing shoulder to shoulder, united in building a better Ontario for our kids; new thinking regarding an energy policy that has the potential to be the most progressive in North America; and a new prosperity built on the twin pillars of environmental protection and a re-invigorated green economy.

I don't need to tell you that Barack Obama in the United States is galloping forward trying to draw green jobs to that country. We would like to make sure that wind turbine manufacturing jobs and solar photovoltaic manufacturing jobs end up right here in Ontario. We think this bill is good policy, and we call on all parties to support it. Thank you very much.

The Chair (Mr. David Oraziotti): Thank you very much, gentlemen, for your presentation. I'll start with Mr. Tabuns.

Mr. Peter Tabuns: Ken, Rick, thank you very much for the presentation. One of the primary interests that all of us have here is the potential for economic development coming out of large-scale green energy investment. Could you speak a bit about the impact in the United States—Pennsylvania and the Midwest states—of the initiatives that have been undertaken to promote renewable energy?

Mr. Ken Neumann: Thank you very much. I can tell you that our union, the Steelworkers, also has a Blue Green Alliance in the US, and that's exactly what they've done. They've come together with like-minded recipients in regards to talking about renewable energy. You've got some abandoned steel mills and now they've got companies from abroad that have come in and are now using those facilities where they've been retrofitted to basically be able to produce. Prior to the crash of the economy, we had 1,000 steelworkers that were producing windmills for the US. That's the kind of thing where there's no reason why we can't have that similar circumstance here in the province of Ontario, instead of having the imports that we presently rely on. That's what I talked about earlier about creating jobs.

We're working very closely with the Blue Green Alliance in the US and that's why we formed the Blue Green Alliance in Canada, to bring those initiatives forward where it's feasible for us to do. We think that what this Green Energy Act does in regards to procurement—there's an opportunity here for us to capture that in regards to putting some of that good steel from Algoma and other places to good use and put it into the production of the steel mills.

The Chair (Mr. David Oraziotti): Thank you. Ms. Broten?

Ms. Laurel C. Broten: Thank you, Ken and Rick, for your presentation. Both of you made comment with respect to a changing horizon in the US. For many years in Ontario, we were able to look to our neighbour to the south and feel some sense of level, that we were ahead of

the game. Ken, I wonder if you can speak to the changing landscape in the US, with the movement by President Obama and the labour movement as well, as to what big steps we need to take in Ontario to remain competitive and be in that first-place jurisdiction that we want to be in.

Mr. Rick Smith: Let's just start with President Obama's recent stimulus packages and his budget. There is just an unbelievable amount of money in there to kick-start renewable energy industries, to lure green jobs to the United States. There's so much money in there to do that. We've tried adding it up; it's difficult. There are so many various line items that bear on this area that it's difficult to even tabulate it.

As a subnational jurisdiction, Ontario clearly can't keep pace with that, in terms of outspending the United States, but what we can do, and what we think this act starts to do, is compete in terms of bringing the best new ideas to the table, bringing innovative new policy mechanisms that have a track record elsewhere, like in Europe, to North America for the first time. We think it's very important that Ontario, if this act is passed—as I say, we think there are some improvements that can be made to it—will become the first jurisdiction in North America with a feed-in tariff program that has a demonstrated track record in Europe. That's the kind of innovative policy mechanism that will allow us to compete, that will allow us to position Ontario as a leader to attract international investment.

1510

The Chair (Mr. David Oraziotti): Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much for joining us today. I'll touch on a couple of things you said: You referenced Barack Obama a couple of times in, I would say, a very positive way. Barack Obama has also said that he is going to be investing billions of dollars in clean coal technology. So I'd like to get your comments on that, but first I want to touch on a couple of other items as well.

Jobs: Juan Carlos university in Madrid spoke to what they saw as the Spanish experience, where for every job that they found created in renewable energy, 2.2 jobs were lost in the rest of the economy. I'd like you to comment on that. And London Economics International recently released an executive summary of a study that indicated that the price of electricity under this act—and we certainly have examples in Denmark and Germany with regard to the price—could go up 30% to 50% with respect to the enactment of this act. So if you could comment on those three issues, please.

Mr. Rick Smith: I'll take a very quick crack at it and then turn it over to Ken. Quite simply, it's never possible to find complete unanimity in the scientific community. There are still scientists out there who claim the earth is flat and produce scientific studies to back that up. One of the main proponents of that actually just recently passed away; there was a big newspaper piece about it. But my point is that there are many, many more studies indicating that investment in renewable energy is good

economic policy. The studies you cite I think are outliers. We actually have significant problems with the methodologies of those studies. I don't think they hold water. I'd be happy to give you those details.

Mr. John Yakabuski: What about Barack Obama?

Mr. Rick Smith: I lost track of all your questions. What was your question about him?

Mr. John Yakabuski: Clean coal.

Mr. Rick Smith: Clean coal? I don't think we need it here, and we're delighted that we'll be getting rid of all coal plants by 2014. I'm delighted that that was an initiative that in many ways was started by the Progressive Conservative Party, that started that ball rolling.

Mr. John Yakabuski: That wasn't the question.

Mr. Ken Neumann: Just quickly, again, to your first question in regard to—there are still some people who dispute global warming. The Spanish report you talk about: I know it cites enormous potential for green jobs, and I know that Germany has created 250,000 jobs from an investment in renewable energy and obviously is predicting much more to come.

We as a union think that it's important to take action to reduce the greenhouse gas emissions and to make sure that the economic changes which this province is going to be facing are going to be to the benefit of jobs here in Ontario and in Canada. So I think that that's very crucially important.

The Chair (Mr. David Oraziotti): Thank you very much, gentlemen. That's time for the presentation.

LOW-INCOME ENERGY NETWORK

The Chair (Mr. David Oraziotti): Our next presentation is from the Low-Income Energy Network. Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. If you can start by stating your name for the purposes of Hansard, you can get started when you like.

Ms. Mary Todorow: Thank you. My name is Mary Todorow. I'm a research and policy analyst for the Advocacy Centre for Tenants Ontario. We're a specialty legal clinic with a provincial mandate which is funded by Legal Aid Ontario. We engage in test case litigation, law reform and education advocacy to improve the housing situation for low-income Ontarians, including tenants and homeless persons. With me is my colleague Theresa McClenaghan. I'll let her introduce herself.

Ms. Theresa McClenaghan: My name is Theresa McClenaghan, and I'm the executive director of the Canadian Environmental Law Association and a steering committee member of the Low-Income Energy Network.

Ms. Mary Todorow: ACTO and CELA are among of the founding members of the Low-Income Energy Network, or LIEN. We're a group of environmental, anti-poverty and affordable housing advocates who joined early in 2004 to raise awareness of the impact of rising energy prices on low-income households and to suggest sustainable solutions to aid these vulnerable consumers.

Our approach places the greatest emphasis on reducing energy consumption and costs for those least able to afford higher energy prices and who face barriers to full participation in the culture of conservation that is being fostered in the province.

We have recommended a strategy consisting of—I'm going to actually refer you to a handout that I just sent out, because there's a pictorial representation. It's a pyramid that is our strategy on how to address energy poverty in Ontario. What we have are targeted low-income energy conservation and efficiency programs at no cost to recipients. That's the base of the program. We want to have the most emphasis and the most resources invested in the base there, which is those programs, and consumer protection and education measures. Then we want permanent low-income rate assistance programs; extensive consumer education, as I mentioned; and then emergency energy assistance to help households in short-term crisis. We expect there's going to be less and less need for emergency crisis as we have success with the investments at the base of the pyramid.

Equitable access to energy conservation programs is the foundation of a comprehensive strategy to reduce energy poverty in Ontario. We anticipate that the proposed Green Energy Act can make real progress on conservation programs targeted to low-income consumers—and my colleague Theresa will be speaking in more detail about this. However, conservation programs alone are not the solution to affordable energy for low-income consumers. They must be offered in tandem with a low-income energy rate assistance program.

LIEN participated recently in the Ontario Energy Board's consultation on energy issues affecting low-income consumers. We were extremely pleased that the board recognized the need for a comprehensive approach in their report that establishes a low-income energy assistance program, or LEAP, that should be in place by November 2009. But we were disappointed that the OEB declined to provide the permanent energy rate assistance program for low-income consumers that LIEN has recommended. We have again argued strongly for the board to adopt such a program in our comments on the LEAP report that we just submitted this past Friday and we'd be pleased to provide copies of our comments. It's 37 pages, so I didn't want to bring a whole bunch of copies with me for the committee members who were interested.

Before my colleague Theresa speaks, I'd like to specifically address the issue of electricity sub-metering or smart metering in the multi-residential rental sector, where more than a third of all the households are living at or below the poverty line.

If the smart-metering initiative in the multi-residential rental sector does go forward, the key to maximizing energy use reductions and protecting housing affordability and housing security for tenants will be a permanent rate assistance program and funding for incentives for energy retrofits in this sector. Without low-income energy conservation programs for multi-family buildings, tenants will be facing even costlier above-guideline rent

increases for the capital expenditures spent on retrofits—and that's because landlords can apply for above-guideline rent increases for what they spend on doing those retrofits in the buildings. Any public funding they get will be deducted from the applications for those above-guideline rent increases.

Thank you for the opportunity to share our concerns with the committee today, and I'll turn it over to Theresa.

Ms. Theresa McClenaghan: As Ms. Todorow noted, in 2004 LIEN was formed in the face of major restructuring of the Ontario electricity system at that time and with the prospect of significantly increased energy costs for all fuels looking forward into the future. We would suggest that the prospect of increased energy costs is a reality that remains with us. LIEN advocates both a sustainable energy system as well as an energy system that is affordable to all Ontarians, including our low-income and vulnerable residents.

Much has developed since then. An emergency assistance program was developed, there have been further major changes to the electricity system and a growing recognition of a variety of threats, including climate change, environmental risks from various forms of energy production and much-increased recognition of the vulnerability of low-income consumers to higher energy prices. There is much at stake, and we recognize that there are many issues to balance as this groundbreaking legislation is developed.

For its part, CELA, in addition to its role as a steering committee member of LIEN, has provided advocacy regarding an approach to sustainable energy that includes a radical increase in energy savings through conservation and demand management programs and an ultimate goal of complete reliance on renewable energy sources for our remaining energy needs. LIEN reflects this approach in our advocacy, as Mary has just outlined.

One of the specific provisions of Bill 150 is the inclusion of the provision making clotheslines legal across Ontario. We're pleased to see that that will be retained in this legislation even if municipal bylaws or restrictive covenants would otherwise forbid them. LIEN and CELA were highly supportive of this provision when first enacted and we continue to be supportive of the need to override such archaic provisions as those attempting to restrict clotheslines.

One area that does still need to be addressed and we would advocate be done in further regulation is expanding the regulation to apply to multi-storey buildings. Low-income consumers are often tenants and often in multi-storey buildings. It's common practice to see clotheslines in use in multi-storey buildings, for example, across Europe, where high energy prices have been a fact of life for many years. They form part of the picturesque landscape, are used by residents of every socio-economic bracket and should be available to multi-storey residents here in Ontario as well, whether the buildings are owner-occupied or tenant-occupied.

1520

Similarly, Bill 150 proposes, for the first time, the ability to prescribe certain appliances and products which

may be prohibited for sale if they don't meet specified efficiency standards; those include water efficiency as well as energy, because in fact that can be a very major draw on energy requirements. LIEN supports this provision and urges the mandated use of low-flow toilets in both new installations and retrofits, and a ban on sale of those appliances that do not meet these efficiency standards.

LIEN also stresses that the provisions providing for regulations regarding procurement by public agencies and in making capital investments, as are provided in Bill 150, include social housing in those regulations. All too often the energy burden that low-income residents are facing today has arisen because choices were made in the past to pursue the cheapest up-front construction and appliances in social housing.

With respect to conservation programs otherwise, LIEN notes that Bill 150 includes provision of conservation or renewable energy programs across fuels, and LIEN supports this approach. Low-income residents may be utilizing high-priced electric heat but they may also be utilizing, across the province, propane, wood or oil, for example. Developing multi-fuel conservation programs is an approach that LIEN strongly supports.

I also note that we support the broader definition of "environment" in this bill for the purpose of the renewable energy approvals because they propose to include the definition that says "social, economic and cultural conditions that influence the life of humans or a community" are part of the definition of environment. LIEN would advocate that the impact of renewable energy decisions on low-income consumers and ensuring access to renewable energy by low-income consumers should be included in decisions made pursuant to the act. Low-income consumers want to be part of a sustainable future and not left to the side, with only those who can afford it participating in a more sustainable future.

We do include with this presentation a copy of the submission that my organization, CELA, made to the Environmental Bill of Rights posting for this bill, from which these brief remarks are extracted, and would be happy to answer any further questions the members may have.

The Chair (Mr. David Oraziatti): Thank you very much. Ms. Broten.

Ms. Laurel C. Broten: Thanks very much for your presentation. I just wanted to focus on conservation program assessment and advice that you may have for the committee with respect to attaining the minister's goal of seeing the Green Energy Act move us very much forward with respect to both renewable energy and conservation, and whether you have any advice as to how, as we continue to build on conservation programs, we can put in place mechanisms that help us determine that they're helping the people we want them to help.

Ms. Theresa McClenaghan: Yes. Bill 150, as proposed, lays out a special-purpose account mechanism for conservation program assessments and it particularly notes that those programs could include decreasing

consumption of two or more of the various fuels: natural gas, electricity, propane, coal, oil or wood. We agree with that approach. It means that there's increased transparency in the use of the fund and it also means that it can be applied in respect of geographic, social and income differences across the province. That transparency is extremely important in terms of public confidence in the fund and it's a way of being able to tell that yes, in fact there's progress being made. So that's the approach that's being taken and we'd support that.

The Chair (Mr. David Oraziatti): Thank you. Mr. Yakabuski.

Mr. John Yakabuski: Thank you for joining us today. The other day the market price of electricity was barely over three cents. When you see what the government is prepared to pay as feed-in tariff rates, we do know the experience of European countries with respect to their rates for consumer electricity. We all understand and support conservation, because no energy should be wasted. Would I be incorrect in presuming that your organization has serious concerns about the price of electricity, where it could go under this act? And that doesn't even take into consideration the 8% additional that people are going to be paying on their electricity bills post July 2010 as a result of the harmonization of the sales tax. Could you comment on that?

Ms. Theresa McClenaghan: First of all, as I said, in 2004 LIEN was formed in part because we realized that some of our organizations were advocating full-cost pricing of electricity and incorporating externalities from electricity into energy pricing. At the same time, many of us have mandates to represent vulnerable and low-income consumers. So we needed to reconcile those objectives, which at first glance appear inconsistent. In terms of the price, that's why we advocate that for those who remain marginalized or are otherwise low-income consumers we need to have programs that allow them to access conservation and that provide for affordability. That is the aspect that we do continue to advocate be done. That doesn't mean we don't think that prices should reflect the cost of production, nor does it mean that we don't fully support renewable energy production—which we do.

I want to add that the cost to low-income consumers is often far greater. They bear a far greater burden of energy than do more affluent consumers. So they may be paying because they have electric heat; they may have poorly insulated shelter. They may suffer loss of their housing because of being unable to afford the electricity. And so the fact is that we need a complete system which both lets them participate in conservation and lets them have properly insulated housing, and for those people who still can't afford rates, provides a proper program. We advocate a program of declining tariffs so that there's an incentive for everybody to conserve but that their basic needs are met.

The Chair (Mr. David Oraziatti): Thank you. That's the time for questions. Mr. Tabuns.

Mr. Peter Tabuns: Mary and Theresa, thank you very much for the presentation. When you talk about low-

income rate assistance, how much are we talking about per kilowatt hour? Have you got a rate in mind? Do you have a methodology for setting that? How do you approach it?

Ms. Mary Todorow: We do. We have a report, actually, on it, which is a tiered discount program. It's described quite thoroughly here. I can—

Mr. Peter Tabuns: Why don't you summarize and then give us a copy of the report?

Ms. Mary Todorow: We don't think people should be paying more than 6% of their total household income on their total energy costs, whether its electricity and gas, or if its all oil, whatever it is, because when you start paying more than 6% of your total household income, that's when you start getting into payment difficulties. That's what we proposed, and what we proposed was a discount. It's a fixed credit, and if you consume above that amount you're going to have to pay the cost of it, but there's an incentive for consuming below a certain amount, because that means you pocket the savings. It's available on the Low-Income Energy Network's website, so everyone can have a look at it and—

Mr. Peter Tabuns: I understand the principle that shapes the approach—

Ms. Mary Todorow: So basically it would depend on what your bill is and your income.

Mr. Peter Tabuns: Got it.

And the scale of the project to do the retrofit work in Ontario—do you know how many people are living with low incomes? Do you have a sense of the scale of the construction project that would be required?

Ms. Mary Todorow: Well, you know, I've been trying to get the update from the 2006 census, but there were about 759,000 low-income households with people at or below the poverty line. There is no official poverty line in Canada, but it's people living at the pre-tax post-transfers Statistics Canada low-income cut-offs. And 65% of those 759,000 households are living in multi-residential rental buildings. That's why we have the concern about the electricity sub-metering in particular. We know that there's going to be a push to meter all the utility services that people use in-suite because of the issue of climate change—

The Chair (Mr. David Orazietti): Thank you. That's time for your presentation. I appreciate your coming in today. Thank you very much.

ONTARIO HOME BUILDERS' ASSOCIATION

The Chair (Mr. David Orazietti): Our next presentation is the Ontario Home Builders' Association. Good afternoon, welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five minutes for questions. You can state your name and you can get started.

Mr. Frank Giannone: Thank you, Mr. Chair and members of the committee.

My name is Frank Giannone and I am the president of the Ontario Home Builders' Association. I'm also president of Fram Building Group. Our company has built over 5,000 new homes and condos across Ontario since the company started building in the province in 1981. Internationally, we also build in Michigan, Texas and Italy.

1530

I am a volunteer member of the association, so in addition to my business and personal responsibilities, I am dedicated to serving the residential construction industry. Joining me is James Bazely, who is the OHBA first vice-president.

The Ontario Home Builders' Association is the voice of the residential construction industry in the province. Our association includes over 4,000 member companies involved in all aspects of the industry and is organized into 29 local associations. Together we produce 80% of the province's new housing, and we renovate and maintain Ontario's existing housing stock. In doing so, we serve today's homeowner and advocate on behalf of tomorrow's new homebuyers. Our industry contributes over \$30 billion to the economy every year. Last year, we employed over 360,000 construction workers.

Our members have also been on the leading edge of energy-efficient housing design and construction. It was our national parent organization that developed the R-2000 program 30 years ago, seen to be on the forefront of energy-efficient housing construction the world over. R-2000 put Canadians on the global map as producers of the best-built housing in the world. Some of the forefathers and innovators within our industry who helped shape energy-efficient housing are still active within our membership today.

My company was one that saw the merits of embracing energy efficiency in those early days. Fram Building Group built Canada's first all-R-2000 subdivision in Mississauga in 1986. When I learned of the provincial government's ambitious plans to break down the barriers to innovative, green development, I was personally excited. This is an opportunity for the rest of the province to embrace energy-efficient development in much the same way that my company did in the new housing industry so many years ago.

The Ontario Home Builders' Association took an early position of support for the proposed Green Energy Act, issuing a media release the day after the first reading of Bill 150. We agree with the fundamental policies being proposed; however, I would like to offer some comments and advice on behalf of an industry that has been voluntarily providing and encouraging energy-efficient housing programs, labels and certification for almost three decades.

When it comes to home energy audits, we know all too well what works and what doesn't. Our members are the ones who design the program curriculum. They are the ones who provide the training. They build the houses, they inspect the houses and they renovate the houses. We hear directly from all of these different member groups about what works and what doesn't.

OHBA is a strong industry advocate, but as I said before, we also provide a voice on behalf of future purchasers. We know that the homebuying public would like more clarity on what separates a new home from a resale home. It is easy for them to see that a new home is, well, new, and that a resale home is usually situated within an established neighbourhood. But what they traditionally have had difficulty understanding is how different the energy consumption and performance of a new house is versus an existing one.

The proposal within the Green Energy Act for home energy evaluation is, in the opinion of our association, the type of disclosure that is needed. This will allow consumers to compare new housing with existing housing and also to compare existing housing with other existing housing when they're making their buying choices. After all, an educated consumer is one that makes wise and informed decisions.

We see ourselves as an advocate on behalf of homebuyers in Ontario and, as such, would like to see more detail in the minister's proposal. I would like to offer the services of our membership, which has 30 years' experience in developing these types of programs, members who have 30 years' experience in delivering these types of programs. Mr. Chairman and members of the committee, we are talking about a new program that will benefit thousands upon thousands of Ontario homebuyers in the future. On behalf of those people, I want to urge you to continue to consult with our association to get this right.

I've heard some suggestions that the EnerGuide program will be utilized as the basis for referencing house performance. I would humbly like to suggest that we look elsewhere. While it is a national program developed in Canada to help evaluate the performance of early R-2000 homes, the EnerGuide rating scale is coming to the end of its useful life. Specifically as it relates to this legislation, the problem with EnerGuide is that it is not equally representational of new homes and existing homes at the same time.

Consumers need clarity and consistency, and unfortunately the EnerGuide scale provides neither of these. Similar to a logarithmic graph, the less-efficient houses will score relatively well and can move easily within a few-point range. The more energy-efficient the house becomes, the harder and harder it becomes for a house to gain a single point. To a consumer, it becomes confusing why a 100-year-old farmhouse can score a 45 or 50 on the scale, yet a brand new house scores only a few points higher at 80.

Furthermore, the EnerGuide rating scale is a proprietary standard owned and operated by Natural Resources Canada. NRCan has the ability to change the regulations for EnerGuide at any time and without any requirement of public consultation. It would be unfortunate to see Ontario reference a standard today only to have it change to something completely different by the time the Green Energy Act comes into force.

But there are options. Some of our industry leaders have been actively searching for and testing other rating

systems. Allow our members to work with your government to propose the best system for our purposes here in Ontario, and we can quickly propel ourselves as the leading energy efficiency jurisdiction for housing in North America.

Within part III of the proposed legislation, energy efficiency and efficient use of water for appliances is discussed. The Ontario Home Builders' Association is in a unique position to have some of the major appliance manufacturers represented within our industry. I am sure you will hear from their industry groups, but I recognize one of their concerns and bring it forward for your consideration.

It has been suggested that the standard in Ontario for all appliances is Energy Star. On the surface, that sounds admirable, but in the marketing plans for these companies, they need to have options for purchasers. If everything is mandated to the top-of-the-line appliances, then there is no longer the product diversity that their industry requires. On behalf of these manufacturing members of our association, I request that consideration be given to variable performance levels still applying to energy and water efficiencies. The levels can still be set high, but will allow the manufacturers the diversity they need.

With respect to sections 40 and 41 of schedule G, regarding the Environmental Protection Act, some of our members have expressed concern that the intent of these two sections of the proposed legislation was not to target new home development sites. Rather, it would appear that the intent was for the waste disposal and transfer sites on which watercourses are present. In the nature of the new home development process, garbage is naturally accumulated and disposed of according to waste management policies. Having an additional layer of certification could cause significant uncertainty and further red tape in the development approvals process. We already have to comply with mandatory regulations for waste management and do not agree with additional layers unnecessarily added to our industry. Better clarification in these sections is required.

Finally, an area that perhaps was overlooked when developing the proposed legislation is the ability for a condominium corporation to secure green loan financing for green initiatives and how those loans should be managed. OHBA members would be pleased to assist in the review and development, if necessary.

To summarize, the Ontario Home Builders' Association is generally supportive of the proposed Green Energy Act. We do, however, have some legitimate concerns regarding the framework being proposed around the home energy audit component. Our members, who are the leading experts in the home energy conservation movement, would be pleased to lend their expertise to implement solutions that will meet the needs of government, the building community and, most importantly, the homebuyers of Ontario.

We also have very, very strong concerns about the competing and contradictory pressures on affordability of

all housing in Ontario, whether they be low-rise or high-rise, for sale or for rent, for seniors or for young people. We support this act, as we support the Places to Grow policy, but I need to tell you that the viability of both of these is now under attack by the harmonized sales tax. Both of these programs imply extra costs, some by choice. The selections to upgrade will now be taxed so severely that they may not happen as the government hoped.

With that, I would like to thank you for your attention and interest in my presentation. I look forward to hearing any comments or questions that you may have.

The Chair (Mr. David Oraziatti): Thank you. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much gentlemen. I appreciate your comments on the government's new tax, as well. Obviously, we have many concerns about that and are sharing those with you.

New versus old: We understand that if someone is building a new home, they have the option of getting all of the most efficient upgrades available to make that home as energy efficient as possible. It's not always the case, but if somebody is building a new home, the odds are they're selling an old home. OREA has severe concerns with the home energy audits. If it's a bone of contention that could sometimes cause deals to fall through because of the adversarial approach of negotiations, that could affect your business as well.

I see that you basically seem to be in favour of the audits, and I can understand why you want to measure the energy efficiency of a new home against an old one home. But if people aren't selling existing housing stock, it's unlikely they'll be building new ones as well, because they have to get rid of one to get the other. I'd like to hear your comments on that.

1540

Mr. James Bazely: I believe our association takes sides with the Green Energy Act, so it would hypocritical for us to say it's good for the new home but not the old one. What's good for the goose has to be good for the gander.

We believe in energy efficiency, and we believe that it's right for the environment. That's one of the reasons we endorse it in used stock. Eventually, that may happen: Some people may choose not to sell their home because of the rating they get, but eventually that house will have to sell. Immigration is still strong in Ontario, and every time we build a new house, an old house doesn't get torn down. So it will be worthwhile for someone to fix that house and improve its efficiency. There are many ways that that can be done through qualified renovators, and you can bring up the rating quite simply; I'm not saying cheaply, in all cases, but simply.

Mr. John Yakabuski: The audit does not require them to upgrade the homes.

Mr. James Bazely: No, it doesn't. But when I buy a used car, whoever is selling it to me has to take it in and have the emissions test done to verify that the car is running properly and not polluting the environment, and I

see this as being similar. If I'm buying a resale home, I think it's great that the consumer has the knowledge they need to understand where the house sits as far as the—

The Chair (Mr. David Oraziatti): Thank you. I'm going to have to stop you there. That's time. Mr. Tabuns?

Mr. Peter Tabuns: Thank you very much for making the presentation today. The EnerGuide program: What are the elements that you believe have to change to, as you put it, put in place a system that's more accurate and more representational of the reality?

Mr. Frank Giannone: The EnerGuide program, as it sits now, really works from a new housing point of view. It has to be able to work on existing housing, or you won't get the proper comparison between an existing house and another existing house. It's not limited to an existing homebuyer buying a new home, but also an existing homebuyer buying an existing house. Right now, the system that's set up works new, but it may not work for existing homes.

As well, it's something that's governed by the government of Canada, and they've been talking about changing it anyway. So we may as well come up with a system that's Ontario-based, specifically doing what we want it to do.

Mr. Peter Tabuns: Can you tell me the physical elements that are not properly measured with the current EnerGuide system and need to be changed?

Mr. David Henderson: I think I can comment.

Mr. Peter Tabuns: You have to come up here so you'll be in Hansard.

The Chair (Mr. David Oraziatti): Come up here, give your name and give a quick response, please.

Mr. Frank Giannone: This is David Henderson from OHBA.

Mr. David Henderson: I'm the director of industry relations for the Ontario Home Builders' Association.

The EnerGuide scale was initially developed as a means of measuring R-2000 housing at the time. As the R&D of housing has evolved, the EnerGuide scale has not evolved at the same pace as the rest of housing. They've tried to manipulate the scale to make it fit the existing housing stock as well. The difficulty gets into some core building science mechanics, but the testing mechanisms work very well in new housing, where you assume that everything is airtight and you're using high-efficiency products and stuff. When you try to match it into an existing housing program, what happens is that the airtightness tends to throw numbers off and the appliances used in the house tend to throw numbers off. The software was simply not initially developed to manage existing housing stock.

The Chair (Mr. David Oraziatti): Thank you. I'm going to have to stop you there. Mr. McNeely?

Mr. Phil McNeely: Thank you for coming in and making a very good presentation, generally positive, I think, toward the Green Energy Act.

This isn't the first time we've heard some issues around the applicability of the EnerGuide rating to new housing, but I talked to Dana Silk from the EnviroCentre

in Ottawa quite a bit, and I have talked with GreenSaver—Mr. Veljovic was doing some work with the OPA around the issues you're talking about. They feel that the EnerGuide rating is pretty good and that there are issues that have to develop. It probably has developed and will develop in the future. So if there are some concerns around that, I'm sure they can be worked out. What are your thoughts on that?

Mr. Frank Giannone: The heat pump scale, for example, is one that jumps out.

Mr. David Henderson: One of the main criticisms of EnerGuide that has been used is that it measures certain aspects of the house and ignores other aspects, such as energy consumption. In our industry, it's nicknamed the "heat pump" scale, because to get a poorly performing existing house to meet a higher performance, all you have to do is stick on an air-to-air heat pump, and that defeats the purpose of what you're really trying to accomplish.

Mr. Frank Giannone: It defeats the purpose because you're fuelling it with electricity in peak energy provider and it goes against what you're trying to do.

Mr. Phil McNeely: I liked your comments that what is neat is that you can compare existing housing to new housing, and that's important: existing housing to existing housing and existing housing to new housing. I think I've heard from the experts that that can be worked out. The OPA has done considerable work with GreenSaver on that.

Mr. Frank Giannone: We're confident that it can be worked out.

The Chair (Mr. David Oraziatti): Thank you very much. That's the time for the presentation. We appreciate your coming in this afternoon.

ELECTRICITY DISTRIBUTORS ASSOCIATION

The Chair (Mr. David Oraziatti): The next presenter is the Electricity Distributors Association. Would you like to come forward? Good afternoon and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. State your name for the purposes of our recording Hansard, and you can begin when you like.

Mr. Charlie Macaluso: My name is Charlie Macaluso. I'm president and CEO of the Electricity Distributors Association. With me is our chair, John Loucks, who is from the city of Brantford, where he is chief operating officer of their local utility, Brantford Power.

We appreciate the opportunity to present our industry's thoughts to you today on the proposed Green Energy Act. Our chair will give more formal remarks, but to put them in context I'll give a very brief introduction about our association and what we do. Following that, we'll of course be available for questions.

The EDA represents all the LDCs in Ontario. There are approximately 80 LDCs—local distribution companies—across Ontario, who proudly serve virtually

every single residential, and commercial, and most industrial, customers in the province of Ontario. For each of these customers, one of the key things is that the local utility has really been identified as the trusted face of the electricity system. All told, we serve about 4.5 million consumers in Ontario.

The EDA works on behalf of our local utility members to represent them in public policy interests at the provincial level, in situations like this with elected officials as well as with civil servants and officials in the provincial energy agencies.

With that, I will turn things over to our chair, John Loucks.

Mr. John Loucks: I want to begin by thanking the committee for the opportunity to make this presentation today. The EDA welcomes the opportunity to provide input on Bill 150, the proposed Green Energy Act, which, if passed, will represent the fourth fundamental legislative reform of Ontario's power sector in barely more than a decade.

The first major reform was Bill 35, the sweeping law that, in 1998, broke up Ontario Hydro, created the independent market operator, put local utilities under commercial regulation by the Ontario Energy Board and set the framework for competitive wholesale and retail markets in the province, featuring real-time spot-market pricing for consumers.

Then in 2002, after only seven months of open-market operation, Bill 210 was introduced to abruptly shut the retail market and temporarily freeze power prices at unsustainably low levels.

The thaw came in 2004, when Bill 100 established a hybrid market model featuring the Ontario Power Authority to purchase power for that market, passed through to consumers via regulated prices adjusted twice a year.

Now in 2009, following several smaller pieces of legislation that tweaked elements of the hybrid market, Bill 150, the proposed Green Energy Act, is set to usher in another wave of fundamental change for Ontario's power sector. Suffice it to say that we, as Ontarians, have definitely seen our fair share of change in the electricity industry. From our role on the front lines, local utilities realize just how challenging change can be for consumers.

1550

The provincial policy changes of the last decade have also been a huge challenge for local utilities. Over this short period, fundamental changes have been made to the permitted role of local utilities by the provincial government. Prior to 1998, utilities were free to engage in a broad range of functions. In addition to delivering electricity, most local utilities engaged in conservation activities and several also generated electricity for their communities. But in 1998, Bill 35 legislated utilities out of conservation, out of generation and out of every activity except for power delivery. In 2004, after a six-year hiatus, local utilities were permitted back into conservation, an important and progressive step away from Bill 35. But to this day, many constraints remain

that continue to prevent local utilities from delivering services much needed by consumers within their local communities.

Thankfully, Bill 150 proposes to address many of these constraints to consumers' benefit. This framework legislation, which the EDA supports, will, if passed, begin to make fundamental and welcome changes to the role and responsibilities of local community utilities as well as to those of our regulator, the Ontario Energy Board.

Regarding local utilities' role, the Green Energy Act outlines a potential broad customer service mandate that is almost exactly the opposite of the narrow role defined by Bill 35 for utilities back in 1998. The Green Energy Act, if passed, would provide local utilities the freedom to again own and operate a portfolio of renewable power generation. Utilities would be similarly permitted to provide district heating services in their communities through cogeneration. Utilities would gain new responsibilities for transforming their local distribution networks into smart grids that harness advanced technologies to facilitate the connection of many small-scale generators and the two-way flow of information. Local utilities would also bear added responsibilities to assist and enable consumers to reduce their peak demand as well as their overall electricity consumption and, in particular, take on specific, individual conservation targets that we'll be commercially incentivized to meet.

The list of new opportunities and responsibilities for utilities is significant and is ambitious. It is a list that specifically and directly responds to key policy changes the EDA called upon the province to make. Given this fact, for the record I wish to publicly thank Minister Smitherman and his staff for bringing this ground-breaking legislation forward. The EDA sincerely appreciates the customer service freedoms that it will provide our members, who are prepared to effectively implement the new responsibilities that accompany those freedoms.

However, I do also want to flag to the government a major implementation challenge that absolutely must be addressed if the stated goals of the Green Energy Act are to actually be realized and the broad new customer service role for local utilities brought to life in each of the communities across Ontario. This will require much more than just the passage of the Green Energy Act. Meeting this shared challenge will involve converting the regulatory model and approach in Ontario from one that narrowly limits utilities in their ability to deliver services to customers to one that provides them the flexibility and freedom to effectively do so.

With Bill 35 in 1998, the explicit intent of provincial policy became to narrowly limit utilities in their ability to deliver services to customers. For the broad new goals of the Green Energy Act to be achieved in 2009 through utilities fulfilling a role so dramatically different from the one envisioned by Bill 35 10 years ago, a new facilitative regulatory approach is required, and key new provincial regulations and ministerial directives will be required to bring it about.

The restrictive regulatory approach developed to implement Bill 35, which still remains in place in Ontario today, will only succeed in stifling the innovation and operational flexibility required by local utilities to produce the successes the Green Energy Act is seeking. Collectively, we—and to be clear, I mean the government, the EDA and our member utilities, along with the province's energy agencies, all working productively together—must move quickly to clear the barriers that stand in the way of producing the customer service outcomes that Bill 150 envisions.

In closing, let me simply say that the EDA and the local community-based utilities we represent very much appreciate the opportunities that Bill 150 has the potential to bring about. This potential will only be realized through fundamental amendments to the regulatory model and framework in Ontario. We look forward to working constructively and in good faith on this challenge with the minister, all elected officials, the key ministries and the province's agencies in the days that lie ahead.

Thank you for your time, and we'd be happy to answer any questions you may have.

The Chair (Mr. David Orazietti): Thank you for your presentation. We do have some questions. Mr. Tabuns.

Mr. Peter Tabuns: Yes. I apologize for being out for the bulk of it, but some of the stuff you have to say in here interests me. First, how great is the interest among local utilities in expanding their generating capacity? Secondly, with particular reference to cogeneration, has there been an assessment of the potential for that, particularly with district heating in Ontario?

Mr. John Loucks: I think interest is going to vary across Ontario. The EDA vision is certainly to create the opportunity for those utilities that want to get into generation to do so.

Mr. Peter Tabuns: District heating opportunities: Have you as an organization taken a look at the potential out there for expansion into district heating?

Mr. John Loucks: Certainly our individual member utilities have done so. We have, like I say, a broad range of members, a broad range of business interests and a broad range of opportunities within individual communities.

Mr. Peter Tabuns: And you would support amendments to this bill that would allow electricity from cogeneration to receive a tariff, like other renewable forms of generation that are going to be receiving a fixed tariff?

Mr. John Loucks: Yes, we'd support that.

Mr. Peter Tabuns: Okay. Thank you.

The Chair (Mr. David Orazietti): Thank you. Ms. Broten.

Ms. Laurel C. Broten: Thank you very much. I wonder if you can perhaps speak to some of the issues that arise from your customers at a local level. Certainly, we hear from our constituents all the time about the desire to be able to work with their distribution company to conserve. One of the things that I think Ontarians are starting

to understand a little bit is the importance of the smart grid to facilitate and enable that.

I'm wondering if you can speak specifically to the new facilitative regulatory approach. What exactly do you mean by that? How will that improve the ability to provide customers what they're looking for?

Mr. John Loucks: Sure. I guess I'd point you to the existing regulatory environment, which actually narrowly defines the role of the utility. We want the regulations to loosen up a little so that the utilities can get into some of these new business opportunities in support of Bill 150.

Mr. Charlie Macaluso: Perhaps if I can just add that currently, under the Green Energy Act, it's anticipated that homeowners, residences and businesses would want or be able to install solar panels, for example. Under the current regulatory environment, we're not permitted to assist the customer in that endeavour, so we're looking for a regulatory environment that would facilitate and mirror the intent of the Green Energy Act, which would allow us to assist customers in initiatives like that. We're hoping that the regulatory environment will mirror the legislative intent.

Ms. Laurel C. Broten: Great, thank you.

The Chair (Mr. David Oraziotti): Thank you. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, gentlemen, for joining us today. I would gather from your presentation that you seem very comfortable with the broad powers being bestowed upon the minister to operate by directive in this bill. I spoke to someone who works at the OEB, whose name will remain unspoken, who feels very, very concerned that this amounts to the evisceration of the Ontario Energy Board, which is, of course, the consumers' protectorate in the province of Ontario. I would like your comments on that.

The other thing is the minister's powers in this bill: 22 sections that give him the right to operate by directive. Also, do you, as the LDCs that bill the customers, have no concerns with respect to the price of power under this legislation?

Mr. Charlie Macaluso: I'll take a shot at the questions; I think there were two of them. First of all, with regard to the minister's power in the directives, I think our chairman, in his opening comments, spoke to the importance of all agencies working together, including the utilities, the ministry, government and all the agencies. We think that this legislation, to be successful, will require that co-operative environment. Certainly, so far, there's nothing we've seen that would suggest that that won't be happening. So we don't really have any concerns in that regard.

1600

Secondly, with regard to concern about pricing, part of the legislation requires us to begin the process of developing investment plans to meet the obligations of the bill—smart grid development, smart metering. Those plans are under way. It's premature for us to assess the impact of costs from those plans on our customers, so it's really hard for us to comment on that at this time.

Mr. John Yakabuski: Okay. Thank you very much.

The Chair (Mr. David Oraziotti): Thank you. That's time for the presentation. We appreciate your coming in this afternoon.

Mr. Charlie Macaluso: Thank you.

GRANT CHURCH

The Chair (Mr. David Oraziotti): Our next presentation, Grant Church. Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. Please state your name for the purposes of Hansard, and you can begin your presentation.

Mr. Grant Church: Mr. Chairman, members of the committee, ladies and gentlemen, my name is Grant Church. I am the father of four wonderful children. I live in Cayuga and work in a factory in Dundas.

The Green Energy Act is an assault on democracy. Never have I seen an act purported to do something so good while cloaking a sinister plot to strip us of our rights and concentrate them in the hands of a minister of the crown. The act should be scrapped and rewritten.

Planning Act provisions will be suspended concerning green energy projects. As it stands now, a proponent submits their proposal to the municipality. It is reviewed by the planning department; the community is notified and has an opportunity to give input; council votes on it. The proponent has to do an environmental review on the project. The public has an opportunity to examine the findings. If you're not satisfied, you can appeal to the Ministry of the Environment and request a full environmental assessment.

Despite at least 17 requests for environmental assessments on wind farms, all 17 have been rejected by the Minister of the Environment. Not exactly democratic, now, is it?

All those rights will disappear under the act. It will be between the Minister of Energy and the green energy proponent. Absolute power will be held by the minister. Lord Acton said it well: "Power tends to corrupt, and absolute power corrupts absolutely."

We have a system that has checks and balances to prevent excess and injustices. It has taken centuries to develop. Magna Carta was one of the first great documents requiring the King or the government to obey the law. No one, not even the King, is above the law.

Now we have a government that is shredding the democratic principles that we have fought and died for, so that you can ram through your corrupt political agenda and, in the process, pervert the green movement.

The Ontario Municipal Board: The wind energy industry has displayed a disregard for health and safety. People have expressed concerns, only to have company officials say, "Don't worry, we meet all ministry guidelines."

Municipalities have set regulations, only to have them overturned at the Ontario Municipal Board. Individuals have challenged the wind companies, only to be ruled against by the OMB.

Current windmill setbacks from homes are determined by using Ministry of the Environment noise guidelines

and computer modelling. The OMB doesn't go against this. CanWEA, the wind industry organization, says that 300 to 600 metres is a suitable setback.

These setback guidelines are proving to be totally inadequate. Citizens in this province are suffering because of it. Wind companies are having to shut down windmills and buy up homes that have become uninhabitable. In other words, they are admitting that the computer models were wrong.

At the Ripley wind farm, the setback from homes was a minimum of 700 metres. Between the noise from the windmills and the wiring job, people are suffering to the point of being forced out of their homes.

This is an excerpt from a letter from some Ripley residents:

"After five months of severe symptoms, we begged for sleep and were billeted in town, paid for by the windmill company. Our homes were totally disconnected from and isolated from Hydro One and put on stand-alone generators for months. We were very ill from the effects of the unfiltered power ... and the blade sound and vibrations coming into our homes...."

At the Kingsbridge I wind farm, a family had to move away from their home, and after two years of torture they could sleep again. The closest windmill was 550 metres away. The local municipality passed a bylaw for the Kingsbridge II wind farm, making the setback 450 metres. They were told that if the setback was greater than that, they'd be taken to the OMB and the setback would be rolled back.

Loss of rights: Councils have been declaring moratoriums on windmill development and asking the province for studies on the ill effects of windmills. South Algonquin was the first. The local paper promptly carried a letter from Deputy Premier George Smitherman expressing his disappointment while not addressing their concerns.

When the Premier announced the Green Energy Act in London, there was no sympathy for those who are suffering. He just spit in their faces by calling them NIMBYs. Municipalities were asking for a piece of bread, and the government has given them a stone. They ask for health studies, and they are stripped of their planning authority.

Conservation authorities are stripped of their authority concerning green energy projects. How can that possibly be a green move? No more will we be able to request an environmental assessment, not that it makes any difference, since the Minister of the Environment has never granted one for a wind farm. We won't be able to use the freedom of information act to access green energy project information held by the government. How can something that is green be considered secret?

These three clauses are beyond comprehension. You've put green energy production ahead of health and safety. Why have you incorporated reverse onus? Why is the onus on us to prove that we are in danger, with only 15 days to prove that the project will cause serious and irreversible harm? What if the onus was on us to prove that a new drug would cause serious and irreversible harm to stop it from being prescribed to us?

Corruption: The act was initiated by government-funded environmentalists on steroids. The Ontario Sustainable Energy Alliance, OSEA, received money from the Ontario Trillium Foundation as well as from the Ministry of Energy and Infrastructure and the Ministry of Agriculture. OSEA was one of the founders of the Ontario Green Energy Act Alliance, which came up with a draft law and lobbied the government to implement it. The government, in effect, lobbied itself and paid for the cheering section when the law was introduced.

The following is from OSEA's website:

"OSEA members welcome government's GEA:

"The introduction of the Green Energy Act by the Ontario government in February was well received by members of the Ontario Sustainable Energy Association. They have high hopes the legislation will break down barriers currently preventing them from contributing to Ontario's electricity supply." CanWEA is a voting member of OSEA.

On the Green Energy Act Alliance website, there is a link to George Smitherman's Green Energy Act website paid for by the Toronto Centre Provincial Liberal Association. This clearly shows the three-way conspiracy that has joined together to strip us of our rights.

The Green Party leader, Frank de Jong, hit the nail on the head: "They're running roughshod over local opposition," he said. "I don't like how the government is shoving this down our throat.... Democracy is becoming a casualty in Ontario's electricity development. Green energy is important but so is democracy. One shouldn't trump the other."

Professor James Lovelock, the father of the green movement, said it best: "We live at a time when emotions and feelings count more than truth and there is a vast ignorance of science."

These pictures taken along Highway 21 near Kincardine show a total disregard for the safety of travellers. The sign says, "During potential icing conditions stay back 305 metres from turbines." The closest windmill is 150 metres from the highway.

A delegation from Wind Concerns Ontario representing 29 groups and individuals met with Minister Smitherman on January 24. Three delegates, highly educated and accomplished individuals, called for a moratorium on windmill deployment until proper health studies could be done on the ill effects of wind farms. About a week later, Minister Smitherman said there are few health problems and 500 metres might be a suitable windmill setback. This proves he did not listen to WCO or the many who have suffered health problems even up to 808 metres away.

1610

Minister Smitherman is an asthmatic and says that's why it's important to him to get off coal by replacing it with wind. It is the height of arrogance for him to cause the suffering of others so that he might have less suffering. I live in the area worst affected by the Ontario coal plants, and the air is far superior to what he has to breathe in Toronto. So it won't even help his asthma. In fact, my

daughter Rebekah, an asthmatic, loved to come out to Cayuga from Hamilton so she could breathe freely.

I'd be glad to answer your questions.

The Chair (Mr. David Oraziatti): Thank you. Ms. Broten.

Ms. Laurel C. Broten: Thank you very much for your comments and thank you for being here today.

I think that you were in the audience earlier today when the Blue Green Alliance Canada—good jobs, a clean environment and a safer world—came forward and we heard deputations from the United Steelworkers with respect to the importance of the initiatives being brought forward by the Green Energy Act: to help us move into sustainable jobs for the future, opportunities for those who worked in shut-down factories in the province to be able to participate in a strengthened and refreshed economy, as we seek to construct new, sustainable technologies. I wondered if you had any comment with respect to how that might affect the community near you, in the steel manufacturing sector.

Mr. Grant Church: If you continue with your plan, I believe it will cause the collapse of this province. The price of industrial electricity in this province is the second highest, if not the highest, in the country. We have mills that are very much in danger of shutting down. There are so many that are so close, and I'm hearing reports of them. The most recent one that's in danger is AbitibiBowater. They have a mill in Thunder Bay. Last fall, at the finance committee, they asked, "Why is the commodity portion of our electricity higher than the total price in neighbouring jurisdictions?" Weyerhaeuser said, three years before, that of all the places they operate, Ontario has the highest-priced electricity. To make paper, 30% of the cost is electricity. Those companies will make a decision—like that—to move it. Thousands of jobs have left the paper sector and moved to Quebec or elsewhere. AbitibiBowater is in bankruptcy proceedings now. That mill in Thunder Bay may be closing.

The Chair (Mr. David Oraziatti): Thank you very much. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much for your presentation. I certainly share your concerns, as did the Automotive Parts Manufacturers' Association at past hearings in Toronto, with respect to the potential job losses if the price of electricity is not competitive enough for them to be able to remain competitive with other jurisdictions. The government doesn't seem to be listening to that part of it.

I preface this by saying I don't have any medical or scientific background to be able to make any kind of determination with respect to adverse health effects of windmills or wind turbines, but you would think that the prudent thing for anybody to do would be to search for the answers. We keep hearing the minister say that none of these studies are peer-reviewed. Well, can we not get a peer review? Can we not have a mutually acceptable third party do a study to determine whether or not these things have adverse effects so that we can deal with that issue? Because as long as that's hanging out there, I think it's going to continue to be raised by concerned citizens.

Mr. Grant Church: Dr. Nina Pierpont, a doctor in New York state, has been doing several case studies on this, and her work is peer-reviewed.

Mr. John Yakabuski: Not according to the minister.

Mr. Grant Church: Well, he needs to do his research. The whole government needs to do research.

If somebody is dying on the side of the road, bleeding to death, do you stop to get a peer-reviewed study to call an ambulance? No. There's obviously a problem.

A very notable doctor, one of the top surgeons in the country, Dr. Robert McMurtry, whom I would allow to operate on me any time, judging by his resumé, said people are in harm's way at these windmills. He's getting all kinds of reports, and he's studying the matter. There are studies out there. The UK Noise Association made it quite clear.

The Chair (Mr. David Oraziatti): Thank you for your comments. Mr. Tabuns.

Mr. Peter Tabuns: Mr. Church, thanks for taking the time to come and speak to us today. With regard to Dr. Pierpoint, could you provide to the clerk the copies of those peer-reviewed articles produced by the doctor? I don't mean this second, but if you could provide them so that they could be circulated, we would appreciate that.

In reading your document, there is a clear issue you have about the power that's put into the hands of the minister—that's one issue. The other issue, though, is renewable power itself. Your primary focus seems to be wind power. Are you concerned about solar, biogas and other related renewable energies?

Mr. Grant Church: My plan for the province, if I were Premier: I'd lift the restrictions off coal and I'd get on with cleaning it up like the rest of the world is doing. I'd get on with building transmission lines to northern Ontario, where the IESO says we have 500 megawatts of stranded hydroelectric power. It's been sitting there for I don't know how many years. And there are another 450 megawatts to come from the Mattagami River—950 megawatts of clean, affordable power. You look at the jurisdictions that have the lowest-priced power, they have hydroelectric or they have almost 100% coal. So it's better to go 100% hydroelectric if you can. There are some interesting things with biogas. A lot of farmers have this manure they can make into electricity. It's just a matter of hooking them up to the grid. I think wind's good; it's just a matter of placement.

Mr. Peter Tabuns: I appreciate that.

The Chair (Mr. David Oraziatti): Thank you for your presentation. That's time.

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION

WINDFALL ECOLOGY CENTRE

The Chair (Mr. David Oraziatti): The next presentation, Chippewas of Georgina Island First Nation and the Windfall Ecology Centre. Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five

minutes for questions from members of the committee. State your name for the recording purposes of Hansard, and you can begin your presentation when you like.

Mr. Brent Kopperson: Thank you. My name is Brent Kopperson. I'm the executive director of the Windfall Ecology Centre. I'm joined today by Marlene Stiles, member of the Chippewas of Georgina Island First Nation and the economic development officer of the First Nation.

I'd like to extend a greeting from Chief Donna Big Canoe, who was not able to be here today. Chief Big Canoe has asked me to speak on her behalf.

We're here, really, today for two reasons. The first reason is to congratulate the government and to give our thanks to those members of the House who are supporting the Green Energy Act. We believe it marks a seminal point in creating opportunities for First Nations to participate in the economic development of Ontario in a way that is true to traditional First Nation values.

I would also like to say that we support deputations made by the First Nations Energy Alliance, one earlier today in this venue. As well, Chippewas of Georgina Island support the work of the Green Energy Act Alliance.

What we want to do here today is to take this discussion from the lofty level of straight policy down to the community level of the First Nation. Chippewas of Georgina Island are developing a 54-megawatt wind farm on Georgina Island. For those of you who don't know, Georgina Island is a First Nation reserve within the greater Toronto area. It's located on Georgina Island in northern York region, a kilometre and a half off the southeast shore. This is an important project for the Chippewas of Georgina Island in terms of economic development. The total project value is around \$165 million. It will create many, many quality jobs, not only for the First Nation community but for the surrounding community, from educational trades projects that are being developed as a result of this to many other economic development opportunities.

1620

One of the issues that we've seen in the process of the Green Energy Act itself and the concurrent process of developing the regulations is something that we find rather odd and abhorrent, and we would like to deal with this issue today. When the regulations for the feed-in tariffs were announced, there were two tariff systems created, one for community power and another for the rest of the world. We understand and applaud the government for creating a tranche for community power, because I'm sure that the *raison d'être* was in recognition of the fact that renewable energy generating projects that are developed within a community and owned by the local community produce greater economic benefits than those that are from outside the community. Along with that, where such projects are developed within an area of load, there are significant system benefits that derive from generating power where power is being used. So, in that light, we acknowledge that community power is worth more.

I mentioned that the Chippewa Georgina Island project is a 54-megawatt project, and the regulation that is being proposed has a cap on it of 10 megawatts. The First Nation asks, why is our project capped at 10 megawatts? What is it about the 11th megawatt of renewable energy that makes it less valuable than the previous 10? From the eyes of the First Nation, it appears to be a cap on First Nation prosperity, and that's the message that I'm here to deliver today.

I think this is something that is quite easily fixed. I have asked many what is the rationale for having a 10-megawatt cap on First Nations and community projects, and I don't have a rational answer, so I think there's probably an easy way to fix this. Whether it gets done up front in the legislation or whether it gets done through a regulatory process, I think it's something that is relatively easy to fix, and it is our hope that this will be done.

Finally, I would like to say that the Chippewas of Georgina Island First Nation is a community that welcomes wind energy within its community, has done its homework in terms of looking at potential health effects, and effects to the land and the flora and fauna, and has concluded that there are none. So with that message, I would just like to leave you with this thought: Why is there a 10-megawatt cap on community projects? We don't think there's any good reason.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Bailey, you're first with questions.

Mr. Robert Bailey: Thank you for your presentation today. One of the questions I wanted to ask was, how many jobs do you foresee that would be created in your community, both during the building of the turbines and then if you see employment opportunities after the fact, after they're built? Would you be able to attract industry, perhaps, to—

Mr. Brent Kopperson: This is a great question and an interesting question, not only from the point of view of the First Nation, but from the point of view of the local community, which actually is going to be the community outside the First Nation that is going to be able to invest in this project through a community-based co-operative. So there will be literally many thousands of people, not just from the First Nation community but from the surrounding community, who will be participating from a direct investment point of view, and there will be, we anticipate, about 150 jobs created in the construction of that facility. The Georgina trades and technical centre is beginning to develop a training plan to develop training programs not only for this particular project, but to produce the skills and trades that are necessary to move throughout the province in other projects that are going to be developed. So there will be long-term benefits that come out of this, both for the First Nation community and the community at large.

Mr. Robert Bailey: Good.

The Chair (Mr. David Oraziotti): Mr. Tabuns.

Mr. Peter Tabuns: Thank you very much for the presentation and for coming down today. If the cap isn't changed, what impact will it have on your proposal?

Mr. Brent Kopperson: If the cap isn't changed, then we will have to re-examine the scope of our project. It seems a little bit crazy that we would turn away from 54 megawatts of clean, renewable energy when there is an almost 400-megawatt, single-cycle gas-fired plant that this First Nation opposed. It's 30 kilometres downwind, and there are certainly no caps on that.

Mr. Peter Tabuns: I know, Brent, that this is a project you've worked on for a while. Is it the expectation that if this act was passed—set aside the cap for a moment—you would be able to proceed with this project?

Mr. Brent Kopperson: Yes.

Mr. Peter Tabuns: In the past, there was a constraint on transmission capacity. Has that now been dealt with?

Mr. Brent Kopperson: Distribution is another issue for us. This project has been phased in two phases. The first phase is 20 megawatts. The reason the first phase is 20 megawatts is because we have a connection impact assessment with Hydro One for that 20 megawatts. The additional wattage: We would expect that capacity to come somehow through the Green Energy Act and its provisions for obligation to connect.

The Chair (Mr. David Orazietti): Thank you. That's time for questions. Ms. Broten?

Ms. Laurel C. Broten: Thank you for your comments with respect to the cap. I want to focus my questions on community-based co-operatives. Over the last number of days, we have heard deputants come before us expressing the view that they had analyzed their own project to be prohibited from falling within the class of community-based project, if their co-operative members—your notes suggest a “community-based co-operative comprising of members from within the GTA”—were not precisely in the local vicinity. I just wanted to get clarification with respect to the location of the co-operative members and if, in fact, you hold a different view than some who have come before us in previous days.

Mr. Brent Kopperson: I think we have a very different situation here in Ontario than the co-op movement and farmer ownership movement in Europe. We have much larger spaces within which to work. We are going to evolve different definitions of what community power is, and I think those will evolve as we move along. I think it's really important that how that is defined gets left with the community power sector rather than trying to nail this right at the get-go, because it is going to evolve as we see some real tremendous entrepreneurship and innovation come into this sector.

Ms. Laurel C. Broten: Thank you.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. That's time.

TORONTO HYDRO CORP.

TORONTO HYDRO-ELECTRIC SYSTEM

The Chair (Mr. David Orazietti): Our next presentation, Toronto Hydro Corp. and Toronto Hydro-Electric System. Good afternoon. Welcome to the Standing Committee on General Government. You have 10 minutes, as

you know, for your presentation and five minutes for questions. State your name and you can begin when you like.

Mr. Dave O'Brien: Thank you very much. My name is Dave O'Brien. I'm the president and CEO of Toronto Hydro Corp. With me today is Anthony Haines, who's the president of our electrical system.

First and foremost, I'd like to thank you for this opportunity to appear before the committee. I'd just like to take a moment to talk about some of the things that Toronto Hydro has done in the way of conservation, and then I'd like to spend a few minutes talking about the piece of legislation. Then we'll answer questions.

Since 2005, Toronto Hydro of course has been a leader in conservation, having spent about \$74 million on conservation in Toronto and avoiding about 400 megawatts in combined demand in our city. In our peaksaver air conditioner program, we have about 60,000 units installed. When activated, we can produce about 60 megawatts of savings for the grid. We were the first utility to undertake a customer rebate program, affectionately called 10/10: Save 10% on your bill year over year and we'll give you a 10% rebate on your next bill. Last week, Toronto Hydro was named one of Canada's top 30 environmentally friendly companies.

Our vision is very simple: We want to work with the government, on behalf of our customers, to move forward with the intent of this legislation. Toronto Hydro fully supports the legislation and views it as a very positive step forward in enabling the rapid deployment and development of renewable energy and increased CDM programs.

1630

Bill 150, if passed, fundamentally changes the role of the LDCs—local distribution companies—but recognizes the relationships we have with our communities, which is very important. We have built a relationship of trust with our communities, and this piece of legislation will allow us to go forward with that trust and develop a number of opportunities with our customers in our communities.

Our plan, under this piece of legislation, will include innovative CDM programs targeted to residential, commercial and industrial customers; renewable energy programs in support of rooftop solar installations and larger distributed generation projects; and consumer education programs to support the conservation culture we have already begun to foster in our community. Our plan will also include proactive investment in the development of the smart grid in Toronto, including in-home energy management tools for consumers, based on smart meter communications technology, and coordination with international groups to facilitate the timely introduction of electric vehicles to Toronto and Ontario.

If Bill 150 is passed, Toronto Hydro is committed to delivering an ambitious program of CDM savings and renewable energy installations in Toronto, with targets that are disproportionately large to our share of the market.

Rate-based programs are the simplest, most effective way of driving a transition to the new market. They

provide the LDC with the means to quickly advance CDM, renewable energy and smart grid investments, and they provide the OEB with the regulatory oversight required to ensure prudence and efficiency.

We very much want to continue the work on conservation that we, as a company, have undertaken since 2004-05. I think our track record speaks for itself. We view this legislation as an opportunity to take us to the next level; primarily and most importantly the ability to actively engage with our communities in driving community-based conservation. We also see the benefit of having a number of our activities rate-based through the Ontario Energy Board, which is our regulator. We're very comfortable in working with them, and we understand the process. We believe this approach to conservation is better than the previous approach, which was an OPA-based approach. We long to get back to the days of rate-based funding.

I'll stop there, Madam Chair. I'd like to leave lots of time for questions. Mr. Haines and I will try to respond to any questions the committee might have.

The Acting Chair (Mrs. Carol Mitchell): Thank you, gentlemen. We'll begin the rotation with Mr. Tabuns.

Mr. Peter Tabuns: Thank you for the presentation, David. It's good to have you here today. When you look at the potential in Toronto for CDM and renewable power, do you have a sense of the scale of the market you think you could address?

Mr. Dave O'Brien: We are anticipating about 1,000 megawatts: about 500 in conservation and about 500 on generation. That's kind of where our head is at right now, as we begin to develop our approach under the legislation as we now see it, obviously subject to changes by the committee and the government. That's kind of where our head is.

Mr. Peter Tabuns: Over what time period, do you think?

Mr. Dave O'Brien: A 10-year time period.

Mr. Peter Tabuns: So 100 megawatts a year with that set-up.

Mr. Dave O'Brien: Yes.

Mr. Peter Tabuns: Are there any changes that you see are needed in this bill to advance that agenda?

Mr. Anthony Haines: There are a couple of things. First of all, we'd like to clarify the arrangements with respect to when a utility that owns the generation. Under the act, the way we're reading it, we facilitate and we can own. There needs to be some clarification as to the tolling regimes and the rate-based treatment for the asset when it's owned by the utility. Our view is that it would be treated similarly to a piece of wire—in other words, an asset-to-asset based return—and that the tolling regime through the FIT would be an offset to the customer—in other words, helping to offset the associated cost. That's a critical assumption in what Mr. Bryant spoke of in terms of our targets, because to the extent we are unable to find community-based programs, we would step up

and in fact make the necessary investments to meet that target with our own capital.

Mr. Dave O'Brien: In the presentation, I spoke about rate-based funding. We would prefer to go to the OEB, get rate-based funding for our programs, take the FIT that comes with the program and give it back to the customer as a rebate, levelling the playing field.

Mr. Peter Tabuns: I understand.

Mr. Dave O'Brien: In a very nutshell, simple way, that's it.

Mr. Peter Tabuns: Thank you. I appreciate it.

The Acting Chair (Mrs. Carol Mitchell): Ms. Broten.

Ms. Laurel C. Broten: Thank you very much. I'm wondering whether you can speak to the issues that we often hear from our constituents with respect to, why don't we see more combined heat and power, why don't we see more distributed generation coming out of factories in our communities, and certainly a call for more renewables, and how, for your customers, your consumers, the Green Energy Act allows us to move in that direction?

Mr. Dave O'Brien: I'll take a first run at it and then let Anthony follow up. I think part of the issue is that there's a lot of talk about distributed generation. People use that word very loosely and talk about it as an option. I don't say that to belittle the potential of distributed generation, but it does require a great deal of work and coordination to get it done. You have to understand that if you're using gas-distributed generation, you're going to put a gas-fired facility into a community, which is going to require a gas feed, which is going to require connections. So it's not as simple as just saying, "Well, it's the panacea; it's the answer." Also, it was very complicated to do previously, in my opinion, using the OPA as the vehicle to drive that particular agenda.

I think this piece of legislation, particularly if we're allowed to rate-base some of our costs and encourage the community to help us do that, will open up those parameters and allow for more opportunities for us to work with the community directly. This legislation has its quirks that we're dealing with, but one of the great things about it is that it really empowers the community to get involved in a way that it has never done before. It also empowers and requires the utility to work with the community, which has never happened before. So the legislation brings these two pieces of community together, and I think that will make the change and drive the agenda going forward like it's never done in the past.

Mr. Anthony Haines: Just a couple of other quick barriers: First of all, the obligation to connect I think is a significant one, in that society's benefits were being borne by the generator, and under the new regime, of course, those aren't necessarily completely borne by the new generator, and so we see that as being a positive piece.

Back to Mr. O'Brien's comment, what do you do with the deficiency? Again, we think that it should be part of our rate-based treatment, so that will certainly help.

The other practical matter, particularly when you deal with households, is the initial funding of the capital investment in the solar panel or the conversion of their home. We would certainly welcome the opportunity to provide on-bill financing so a customer could really not have to dip into their own financial means but make a long-term commitment around that, and we'd be happy to be the facilitator of financing programs.

We see those as the two major barriers that are helped within this act.

Ms. Laurel C. Broten: Thank you.

The Acting Chair (Mrs. Carol Mitchell): Mr. Yakabuski.

Mr. John Yakabuski: Thank you for joining us today. My apologies for missing part of the presentation. Unfortunately, you leave for a few minutes and it turns into more when somebody needs to talk to you.

First of all, congratulations for being named as one of the top 30 companies and also for the significant progress and the leadership role that Toronto Hydro has taken with regard to conservation demand management.

One of the things we keep hearing that concerns people—and with 680,000 customers, you probably run into some who are having trouble with their electricity bills—is the potential for significant rate increases under the Green Energy Act. Ontario as a goods-producing-based economy, it could have severe implications there, and I'd like to get your comments as to whether or not you have concerns with respect to the price of electricity for your consumers and, in general, the Ontario economy under this act?

Mr. Dave O'Brien: I think it's a valid point for our customers. You're right, Mr. Yakabuski, we do have customers who talk to us about the concern over the price increases. The bill is really made up of three or four components. Our piece, which is the distribution piece, is about 25%. There is the commodity price. There's the debt retirement. There are a number of components. So as various pieces of that cost begin to move, it affects your overall bill. Our piece is highly regulated by the Ontario Energy Board, so it's unlikely that you're going to see a very large increase on our side. But there are potentially other cost increases.

1640

One of the most important things about a price increase in electricity is how you provide the customer with the tools to mitigate that price increase. Prices will go up on everything we deal with today—that's common—but what do you do to mitigate that? One of the things we have done in our company is to take a very aggressive approach to smart meters. We have installed about 600,000 smart meters in our service territory. Almost all of our customers now have a smart meter—if there's anybody in this room who lives in Toronto and hasn't got one yet, let me know and I'll get you one. More important than that are the time-of-use rates. When the time-of-use rates are brought in, that's a tool the customer can use to help mitigate that particular rate increase.

The other tool we have given our customers—we have about 65,000 of them installed in Toronto now—is a peaksaver device, which we put on your air conditioner. On a hot summer day, your air conditioner will cycle about four times an hour. We can control it electronically to reduce that to about twice an hour. What does that do? It takes a load off the grid and gives the customer a lower cost because they're not consuming electricity at peak times. As long as you can do a number of programs that help to mitigate that, I think you're going a long way.

Mr. John Yakabuski: Thank you very much. I appreciate that.

The Acting Chair (Mrs. Carol Mitchell): Thank you, gentlemen.

Is Recycled Energy Development here? No?

ALLIANCE TO PROTECT PRINCE EDWARD COUNTY

The Acting Chair (Mrs. Carol Mitchell): Could the Alliance to Protect Prince Edward County come forward, please? Gentlemen, you will be allowed 10 minutes for your presentation, and then there will be five minutes of questions in rotation among the three parties. Thank you very much for attending today. Would you please state your names for the record?

Mr. Henri Garand: Chair and members of the committee, APPEC, the Alliance to Protect Prince Edward County, thanks the committee for this opportunity to comment on the Green Energy Act. My name is Henri Garand, chair of APPEC, and my co-presenter is Orville Walsh, vice-president and secretary.

APPEC is an incorporated, not-for-profit volunteer organization whose mission statement includes a commitment "to energy conservation and the development of responsible alternative forms of energy that preserve the unique historical, cultural, agricultural and rural character of Prince Edward county and the natural beauty of its landscape."

APPEC supports the government's vision of reducing the province's carbon footprint and increasing investment in new technologies to improve the lives of Ontarians. We also appreciate an initiative to develop a conservation culture in Ontario and expand the use of renewable energy. However, APPEC has serious concerns about the impact of Bill 150, specifically as it applies to the installation of industrial-scale wind turbine complexes. The bill draws no distinction among rural areas and their differing economies; therefore, the potential for harm may be greater than any offsetting advantages of green economics. A case in point is Prince Edward county.

Over the past 10 to 15 years, Prince Edward county has been successful in marketing its special sense or quality of place and has become an award-winning model of what an essentially rural community can accomplish with a concept fully endorsed by the current Ontario government. The county has developed what is now called a "creative rural economy" valued at \$100 million annually. Due in part to its rural, historic, non-commercialized

and unspoiled charm, the county has been able to attract a wide array of new businesses, reverse a declining population trend and expand its tourism.

Here are a few impressive examples: Since 2001, the population has risen over 2%, and the construction industry has boomed as a result of new commercial and residential building as well as renovations. Building permits are up 300% over seven years, and property assessments have increased by \$750 million. Many new homes and businesses are incorporating new technologies such as small wind turbines or geothermal systems for heating and cooling. Earlier this month, one of these new businesses, Fifth Town Artisan Cheese, received the Premier's award for innovation in agriculture.

Between 2001 and 2004, tourism increased 74%, while spending rose 168% to \$65 million per annum. Much of this growth is related to arts and culture. Tourists are attracted to the unspoiled rural landscapes, numerous art galleries and artists' studios, and music and theatre festivals featuring performers with national and international reputations. They stay at B&Bs or small hotels scattered throughout the county, and dine at restaurants run by chefs who have relocated from Toronto or Europe. But many tourists from Toronto, Ottawa and Montreal also come to camp. Sandbanks Provincial Park, one of the most popular parks in Ontario, hosts thousands of day visitors each year and operates full campgrounds throughout the summer, with the overflow accommodated by dozens of commercial camping facilities and resorts.

As of 2008, \$45 million has been invested in 12 new wineries and 750 acres of grapes. Largely dependent on direct sales to visitors, the wineries gross \$18 million per annum, and sales are projected to reach \$50 million to \$85 million in five to seven years. Every spring, a 10-day birding festival alone brings \$4.5 million into the economy, yet wind projects are planned inside the important bird areas, where birds and birders gather.

APPEC believes that uncontrolled development of industrial-scale wind turbine complexes and infrastructure will jeopardize what has been accomplished in Prince Edward county. An emerging world-class tourist attraction, centre for the arts, and wine region are at stake. Governments will lose revenue, and a vibrant community may be destroyed. It is a no-win situation for everyone except wind industry investors.

Presently, notices of commencement have been published for four wind turbine projects onshore, with a total of 143 turbines. Other projects under study could raise the number to over 200, and several more projects are planned in the waters surrounding the county. If the Green Energy Act takes away municipal planning authority without establishing an alternative planning process, the future of the community will be determined solely by a few individuals—the lessors—and/or corporations—the proponents. It is easy to contemplate that all, or nearly all, the county will be covered with industrial wind turbines.

The royalties received by leasing landowners from 200 wind turbines would amount to less than \$2 million

annually but could easily be offset by the loss of fickle and mobile tourist spending. After project construction, only 20 maintenance jobs will be left, and the holders could reside conveniently outside the county, conferring little economic benefit. Meanwhile, the creative rural economy will be damaged by the declining number of new and returning visitors and the duration of their stays, as well as the declining number of new residents building homes or renovating the county's many old houses. The result will be a net loss of jobs and reduced prosperity for the entire community.

As well, wind development will cause significant financial harm for many residents through a drop in home and property values, because wind turbines will be installed not in remote marginal lands, but in well-settled, scenic areas like the Loyalist Parkway, around Sandbanks park and near valuable waterfront homes and small hotels. In Melancthon, a realtor's study found a \$48,000 difference in sales price between homes within and outside the wind plant area. If just one third of county homes are similarly affected, the loss would total over \$150 million. While this would have a harsh impact on individual homeowners, everyone will share its effect on the tax base, because it won't be offset by the \$12-million assessed value of the turbines.

Wind development also poses considerable health risks, because many of the county's 25,000 full-time residents live in homes scattered within the proposed project areas. The majority have had no opportunity even to express an opinion about wind development, because the projects were initiated in secrecy, yet they will have to live with the unpredictable effects of shadow flicker, noise and low-frequency vibration.

The Green Energy Act proposes to establish provincial regulations for minimum setback standards, excluded areas and measurement of cumulative effects. Although we welcome careful, clear regulations, they must be based on the recommendations of health and safety experts, not the wind industry. We also contend that an alternative planning process is needed so that regulations do not override local bylaws supported by sound economic and cultural reasons. Final approval, based on an official plan, should rest with each municipality.

Most importantly, the pursuit of green jobs should not undermine thriving economies. In the county, small-scale renewable energy projects, as proposed in the independent initiative, the Green Alternative Plan, would well serve both community needs and the rural environment. Industrial wind is a Trojan Horse for our creative economy.

1650

Consequently we make the following recommendations:

(1) The province must establish a planning process which retains municipal authority and respects the existing municipal bylaws and the underlying reasons for their enactment. The process and regulations must take into account the potential impact of multiple wind energy projects within a municipality or township.

(2) Planning for wind development must consider the economic as well as the environmental significance of provincial parks and important bird areas.

(3) The province of Ontario must establish and implement the best standards for renewable energy projects, especially for industrial wind. Standards must be based on science and utilize the precautionary principle in the absence of good science.

(4) The province must undertake studies into the impacts on human health, primarily from noise and vibration of large wind turbines. Until they are completed, a setback of two kilometres from homes should be the minimum standard. Moreover, setback should be measured from property lines, not neighbouring houses, so that projects do not restrict the use of adjacent land.

(5) The bill allows for appeals on the basis that development “will cause serious and irreversible harm to plant life, animal life, human health or safety, or the natural environment.” This must be changed to read, “may result in health or safety concerns or may cause serious or irreversible harm to plant life” etc. Moreover, the onus must be on the wind proponent to prove there is no health effect. Finally, the proposed appeal process gives too much authority to one person. There must be a different form in order to ensure a fair hearing.

The Acting Chair (Mrs. Carol Mitchell): Thank you, gentlemen, and we’ll begin the round of questions with Ms. Broten.

Ms. Laurel C. Broten: Thank you very much. I’m wondering if you can give some more detail with respect to what types and locations the renewable energy projects would take form in in Prince Edward county, as suggested by the Green Alternative Plan?

Mr. Henri Garand: Yes. The Green Alternative Plan is a proposal developed by three county residents and APPEC members as an alternative to industrial wind development. It proposes a program of grants and interest-free loans to fully fund residential installations of wind and solar power and geothermal systems. The program is cost effective, relying solely on a one-and-a-half-cent surcharge per kilowatt hour on all residential users.

The full proposal has been sent in a written submission to the committee, is available on a website, www.tgap.wordpress.com, and is summarized on a one-page handout available immediately for distribution.

Ms. Laurel C. Broten: Does APPEC support any large-scale renewable projects—biogas, biodigester or any other forms of renewable electricity generated?

Mr. Orville Walsh: Yes, we do, any sort or form of renewable energy. When it’s appropriately sited, of course we support it.

Ms. Laurel C. Broten: And even wind when it would be appropriately sited.

Mr. Orville Walsh: Exactly.

Ms. Laurel C. Broten: Thank you.

The Acting Chair (Mrs. Carol Mitchell): Mr. Yakabuski.

Mr. John Yakabuski: I’m just looking at your recommendation 5: “The bill allows for appeals on the ba-

sis that development ‘will cause serious and irreversible harm to plant life, animal life, human health or safety, or the natural environment.’” You would think that there wouldn’t be a need for an appeal process if it would cause serious harm to plant, animal or human life; you would simply think that no development that would do that would ever be allowed, period. To me, if you know something’s going to cause harm, you would think that you would not allow that development. So I think your amendment is proper because, even if there’s a significant concern, then it’s a pause to take a step back to try to determine that.

I do appreciate your presentation and I would like you to comment on—I didn’t see in your presentation. Has Prince Edward county or have any of the municipalities passed moratoriums on wind development?

Mr. Orville Walsh: No, Prince Edward county has not passed any moratorium on wind development. In fact, their current bylaws allow for smaller turbines, appropriately situated.

Mr. John Yakabuski: Do you have some concerns that this bill is the thin edge of the wedge when it comes to the usurping of municipal powers on the part of the province, if it fits within their agenda?

Mr. Orville Walsh: Yes, we do, in the sense that developments like this, when they are driven by only a few individuals, will tend to overpower and result in an overlay of industrial activity, which may have serious consequences on other activities and businesses within the area.

Mr. John Yakabuski: Thank you very much.

The Acting Chair (Mrs. Carol Mitchell): Mr. Tabuns.

Mr. Peter Tabuns: Unfortunately, Chair, I’m going to have to pass. I apologize, gentlemen. I was caught on a media call.

The Acting Chair (Mrs. Carol Mitchell): Thank you very much, gentlemen, for your presentation.

Mr. Orville Walsh: Thank you.

The Acting Chair (Mrs. Carol Mitchell): I would ask again: Is Recycled Energy Development in attendance?

HARTEN CONSULTING

The Acting Chair (Mrs. Carol Mitchell): As they are not, we will move to Harten Consulting. Welcome. There will be 10 minutes allowed for your presentation. Then there will be five minutes for questions from each of the parties. When you begin your presentation, if you could please state your name for the record.

Mr. Harvey Tenenbaum: Thank you for this opportunity to comment on the significance of the proposed Bill 150. My name is Harvey Tenenbaum. Our company is Toronto-based Harten Consulting. We’re here today representing the views of a large number of ratepayer and resident groups located throughout York region, as well as the Holland Marsh Growers’ Association.

Our experience in dealing with environmental and energy matters is based on being well versed in the natural gas industry and in related fields, including areas of toxicology. For the past several years, we have reviewed the current IPSP and proposed peaker plants advocated by the OPA. We have made numerous deputations to various elected and other bodies on both of these areas, which significantly impact on the concept of Bill 150.

There's a great deal of anticipation and enthusiasm for the proposed legislation, but unfortunately it's tempered by concerns over current facilities proposed by the energy ministry which taint and undermine the intent of this legislation.

There are fears that the legislation may prove more rhetorical than real. It's almost mindful of the deluge of green-labelled products that appear on the market and the only thing green, of course, is the label. We hope the legislation doesn't fall into that category.

This proposed legislation is philosophically significant because it blends the challenges of the environment with energy and in fact places the environment, a green Ontario, as the compelling force and overriding factor in energy decisions. This is admirable but, as I earlier stated, suspect.

Let me dwell briefly on a specific example that undermines the intent of Bill 150. In York region, a 393-megawatt gas-fired generator, with its infrastructure costing approximately \$500 million, with a total cost over the life of the project, on a guaranteed contract by the Ontario government, of over \$2 billion to the ratepayers and taxpayers of Ontario—this project is being proposed for a location adjacent to the Holland Marsh. This is sensitive green space, and although the location violates layers of regional and municipal zoning plans, it of course relies on ministerial exemption.

The facility is designated as a peaker plant, an idea proposed in 2004-05, which was flawed even then, in an expansive era that contemplated a Hummer in everyone's driveway but in today's environment is entirely redundant. This project should have been relegated to the dustbin of history.

If with one hand we are greening Ontario with Bill 150 and seeking renewable energy sources, the other hand is greying it for the next several decades. A major source of a variety of toxic pollutants and a generator of hundreds of thousands of tons—three tons per minute while it's operating—of carbon/greenhouse gas emissions alone, never mind all the other pollutants, is plodding ahead. In an era when industrial growth has plummeted and we have a multi-billion-dollar surplus of electricity, we're still looking at an unnecessary and unneeded project which is a burden on the ratepayers and taxpayers in Ontario and totally unnecessary.

1700

As has been mentioned ad infinitum at these hearings, smart grid technology, if and when it's implemented, including, as the gentleman from Ontario Hydro said, peaking devices used on air conditioning systems; and

consumer education, which is now rampant and spreading in the United States, including putting notices on individual residential household bills comparing them to their neighbours and stressing what they should be using and what they could be saving and the additional cost to them—that has been very effective in four states and is spreading to 13 others in the next six months. Of course, the most important element in greening Ontario is conservation, and there we have a long way to go. We pay a lot of lip service to conservation, but compared to other jurisdictions across the world, we haven't gone far beyond the lip service stage. There's a great deal of room for a great deal of conservation.

Sitting in at the hearings which were recently held by the energy board on the IPSP, the Ontario Power Authority commented on conservation. Their main claim to fame on conservation is that when someone trades in a 10-year-old refrigerator for a newer one, there's a saving in energy, and they are taking credit for that as part of their conservation picture. That's not conservation as far as it being aggressively implemented. That's important, but there are many areas and many thousands of megawatts that can be saved if we proceed with realistic conservation, including public education and awareness, and we have a long way to go.

Productivity gains occurring in industry alone diminish the need for electricity. When all these factors are integrated with Bill 150's energy strategy, energy sufficiency will be resolved without the need for additional fossil fuel plants. Further, over a period of time, as green energy comes on stream and, just as important, as conservation and other actions are implemented, we will be able to phase out fossil fuel plants. I believe there will always be a dependence on nuclear, but it is relatively clean. It doesn't produce toxic emissions and pollutants. It doesn't kill several thousand people a year in the province of Ontario, as the Ontario Medical Association has stated fossil fuel pollution does—it kills a couple of thousand and it puts 110,000 in hospital with asthmatic conditions. Those are Ontario Medical Association statistics. They've been raised many times.

If Bill 150 is to provide the impetus for green energy and, just as importantly, a green environment—and that's the purpose for green energy, to ensure a green environment—the time to act is now. As the late Senator Everett Dirksen, who I once met, stated, "When you realize you have dug a hole for yourself, the first step is to stop digging." That applies full-force on erecting new fossil fuel plants. You can rationalize anything, and authorities are well adept at doing that, but new fossil fuel plants are not needed. There is no need for peaker plants. There are lots of alternatives—green, cost-effective solutions.

Talking about the proposed plant for the Holland Marsh, probably the worst location that one could conceivably find for putting a fossil fuel-burning plant in the province of Ontario is adjacent to the Holland Marsh. When the public realizes that the emissions from this facility will land on and may taint the produce from the

garden basket of Ontario, which is working very hard to brand their produce Holland Marsh so proudly, you're going to impact a \$150-million-a-year industry with 2,000 jobs. Once tainted, it's very hard to reverse. Whoever came up with the concept, first, of a fossil fuel peaker plant and, secondly, of locating it in a prime agricultural area, baffles the imagination.

The EPA in Washington, this past Friday at their hearings, introduced legislation that is premised on, and I quote from the EPA document, there being "overwhelming evidence that greenhouse gases in the atmosphere endanger the public health and welfare of current and future generations." While Bill 150 appears to recognize this fact, the very same ministry is inflicting 20-plus years of millions of tons of carbon emissions on the residents of Ontario—all this without a proper individual environmental assessment. They have settled for environmental screening based on ministerial prerogative. That is a blatant contradiction of everything Bill 150 stands for. It absolutely undermines and contradicts what you're trying to accomplish. Green on this hand and grey on the other doesn't make any sense.

We understand that the cost of implementing Bill 150 will be in the multi-billions of dollars. That's understandable. There's tremendous initial capital cost in implementing renewable energy sources. The good news is they don't consume fuel once they're up and running, so the ultimate long-term cost achieves two objectives. First of all, of course, it isn't using up a finite resource. Natural gas in Canada will run out in 60 to 64 years. That's the estimated supply, so we have to face the reality of being without natural gas when your children or grandchildren are looking to buy a home. Secondly, we want to cut down toxic emissions and pollutions, and Bill 150 will go a long way towards doing that if we stop putting up fossil-fuel-burning plants and rationalizing them as short-term expediency etc.

The cost of the proposed peaker plants in Ontario, and several are planned, will be, over the life of the contract, I would estimate, about \$10 billion, a cost borne on the backs of the taxpayers and ratepayers of this province. That money could be put to far better use in implementing the conservation measures and the renewable energy sources that Bill 150 talks about. In an area where technical decisions are largely driven by senior bureaucrats, we would hope that the representatives of the electorate would do the right thing and stop erecting fossil fuel plants and use those dollars towards the very important concepts contained in Bill 150.

The Chair (Mr. David Oraziotti): Thank you, that's time. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Mr. Tenenbaum. I appreciate your presentation.

The experience in other jurisdictions with respect to renewable power—I understand your concerns with fossil fuel plants, but in other jurisdictions they are actually building fossil fuel plants, in some cases coal plants. The reason is that they need the backup for the renewables when the sun isn't shining or the wind isn't

blowing. I recognize we have some hydraulic here, and a significant amount of hydraulic, but the expectation is still very, very real that we're going to, depending upon the amount of renewables we have—because we cannot dispatch the renewables, at the least the main ones of wind and solar. We can do biogas and biomass. But without the ability to dispatch them, we're going to have to have some kind of dispatchable generation to back them up when they're not operating. The expected choice is natural gas, so we're not going to get away from fossil fuel burning even if we bring in more renewables, because we're going to need them as a backup.

1710

Mr. Harvey Tenenbaum: There are several responses to that, and I'll try to impart some of it to you. In the first instance, we have such a surplus of electricity in the province of Ontario—we're currently exporting several billion dollars' worth a year—that the situation where a peaking situation arises is virtually nonexistent.

Secondly, you can purchase peaking power, at one one-thousandth the cost of going through what we're going through, from Quebec and Manitoba, flick-of-a-switch peaking power.

Third is implementing smart grid strategies, because there are two solutions to a peaking situation: the grid and generation.

The Chair (Mr. David Oraziotti): Thank you, that's time. Mr. Tabuns.

Mr. Harvey Tenenbaum: And the grid is the way to go.

Mr. Peter Tabuns: Mr. Tenenbaum, thank you very much for coming down today. It's good to see you here.

Mr. Harvey Tenenbaum: Thank you. It's good to see you.

Mr. Peter Tabuns: In your region, the reason that was given for building that plant was the growing demand for power and the need to satisfy it without interruption. I guess the first question is, is in fact the demand for power in your region growing at the rate that was earlier predicted? Secondly, if it is, have you and the citizens in that area who have been working on this issue been able to identify energy efficiency or renewable power opportunities that would have eliminated the need for the plant, if, in fact, the demand for power was there?

Mr. Harvey Tenenbaum: The demand for power has diminished considerably in the last year or two. That trend is expected to continue. The reasons for it, of course, are just what we said. We are just starting to implement conservation. We're just starting to slowly implement a smarter grid, peak-saving devices, etc. So the demand for power is shrinking rapidly in our region, and I'm sure across Ontario. Furthermore, if there is a renaissance in Ontario industrially, that renaissance will come in information technology types of industries, which use 5% to 10% of the power of a smoke-stack traditional industry. So it's unlikely we'll revert to the energy shortages we may have experienced from time to time in the past. We feel—

The Chair (Mr. David Oraziotti): Thank you. That's time for questions. Mr. McNeely.

Mr. Phil McNeely: Thank you, Mr. Tenenbaum, for being here and for the very many good points you made today. Certainly that was welcome news from the US that they are going to include CO₂ as one of the toxic substances and be able to do a lot more under the EPA with it. That was welcome news. And I agree with your comments that there's no clean coal; there's probably not going to be any clean coal. It's a myth, and I hope some day we get over that.

Conservation's very important in our plan, and George Smitherman sent a directive to OPA early on in his mandate as energy minister to look at the energy mix and to try to get the renewables and conservation higher even than they were in the first energy mix. This is coming back to I think late May or June or early summer. We'll see then what importance we're putting on conservation. But I agree with you: Conservation is a good part. Conservation is energy number one, and I think that's the way our government is looking at it.

Do you have any comments on the energy mix that was submitted and what we expect back from OPA?

Mr. Harvey Tenenbaum: First of all, I wholly agree with you: The most cost-efficient step that can be taken in any jurisdiction is conservation, because it saves mega-billions—not millions—of dollars, doesn't use up finite resources that are running scarce in any event, and puts people in a frame of mind that is uplifting. They are doing something to help the environment and the cost-effectiveness of society, particularly in Ontario. If you're going to have competitive, cost-efficient industries, conservation and the efficient use of energy have to be the key. I believe in it very much. I also believe in the implementation of green energy sources—wind and solar—being phased in.

We're in the primitive stages of wind and solar power, but as we invest the billions of dollars in it that it's going to take—25 years ago, I had a room this size and a computer and three people working who weren't as effective as my laptop. That's the stage we're at. Technology will forge ahead if we make the commitment and the investment. We can phase out fossil fuel, and we do not need peaking facilities. It's unnecessary.

The Chair (Mr. David Orazietti): Thank you. That's the time for your presentation. We appreciate you coming in this afternoon.

GREG ALLEN

The Chair (Mr. David Orazietti): The next presentation is from Greg Allen. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions among committee members. State your name, and you can get started.

Mr. Greg Allen: My name is Greg Allen. I currently work with HOK, one of the world's largest architectural firms, as their sustainability strategist. For 35 years, I've been working in the advancement of renewables and energy efficiency in, largely, the building and urban

development arenas. I was involved in the drafting of the first Energy Efficiency Act in the province and several other regulatory and policy areas. So I am extremely interested in this considerable step that the province has taken in strengthening its commitment to conservation renewables, and I also have concerns that the devil is in the details of its implementation and the regulations around it. We will all wait with bated breath to see the outcomes if the act is passed.

I sincerely hope that the act is passed and expedited, and I hope that the many productive inputs over this last period of consultation have afforded some improvement to the act. The last time I was in these halls in this manner was with the alternative fuel hearings, which went on for a year and had a very wonderful outcome in terms of the documentation and zero outcome in terms of uptake. So I hope that this will be different.

First of all, I'd like to mention that I think the Green Energy Act is lacking in clarity in its purpose, context and scope. You could infer that the purpose is to advance energy conservation and renewable energy, presumably to displace fuel burning, including uranium. If that is the case, then there needs to be something included to clarify why we would want to have an open-ended and rapid development of renewables.

In terms of the context, what is rarely mentioned in Ontario, but is talked about in many other jurisdictions in the world—we're facing what's known as peak oil and peak natural gas. The declining energy return on energy invested, the amount of energy required to extract the remaining fossil fuels, is increasing exponentially. The International Energy Agency and many observers in the oil industry and the gas industry, including our own National Energy Board, have cited that we're going into a decline period in those energy availabilities. This has direct impact on our economy, but most importantly, we will have to be very strategic about how we use those energy resources in the great transformation of the energy system that will inevitably happen. It will happen with some grace if we have prudence and foresight, and it will happen devastatingly if we ignore the imperative that it sets. Of course, greenhouse gas emissions are also a major driver in why we need to phase out fossil fuels altogether. So I look forward to this act being an instrument in aggressively pursuing the green path.

1720

I've prepared eight items of specific recommendations. They hopefully overlap with many other submissions that follow similar lines, but I'll quickly go through them for you.

The first one is that I believe that the new paradigm of the smart grid is about distributed generation, and in fact the design of an energy system must be seen as something that is to be designed in loco. It is not a central planning mega station but a diversity of technologies deployed over the whole of the province. That involves the intimate involvement of the citizenry and the local governance in those regions in coming up with the optimum strategies and the resources that are most appro-

priate for those areas and, very important, the political buy-in from those communities in engaging in the development of this great transformation.

The second item: There is almost nothing mentioned about energy storage, which is a correlate to having a renewable energy system. Yes, when the wind blows, you have it and when the sun shines, you have it, and when it doesn't, you have to have something. That something is in hand and has always been in hand. We have a large hydraulic potential that is underemployed in terms of its storage capacity, and hydraulic storage is extensively used elsewhere in the world. So we do have that secondary resource value of the hydraulic we have in the province to store energy.

There have been studies done in Europe and virtual operations entirely based on renewables in Germany that demonstrate the feasibility of 100% renewables generation when you have the appropriate mix—which is part of the design of a green grid—of wind, solar, biomass and hydraulic. The use of biofuels in this mix is going to be strategic, and so we would want to see biofuel co-generation wherever the opportunity is afforded to phase out both the thermal and electrical fossil fuel demand. These can be the major powerhouses to match the supply and demand curve. Of course, demand-response is already being taken up. I think we're only beginning to see the opportunities that are afforded by load-shifting and other mechanisms to modify demand.

Third, cogeneration altogether needs to be its own category and emphasized and supported in the act.

Fourth, the ability of renewables and energy storage systems to dispatch power is an asset value to the grid. The valuation of that asset needs to also be made explicit through something equivalent to a feed-in tariff. Otherwise we do get these natural gas plants, which may have a very short life indeed if natural gas prices do what I think they're going to do.

Those dispatchable resources could also be tied into the emergency power requirements of most of our large buildings. We have sufficient generation in the province to do 100% of the power production in the province based on the amount of installed generators that are used for periods of outages. The emergency power requirements in the province already require that we install all of that excess generation capacity. We haven't used it, and we could. In fact we could legislate that new buildings, and eventually all buildings that have generation, be cogenerated facilities that are dispatchable by the grid, thereby resolving any of the services required in that regard for the grid.

District energy is also not mentioned, and it fits in with the smart grid concept. We would have the capacities of heating, cooling and powering on a local, regional basis on campuses, in communities and downtown Toronto etc.

I was involved in—

The Chair (Mr. David Oraziatti): Excuse me, sir, that's time for your presentation. If you want to take 30 seconds and wrap up, you can do that.

Mr. Greg Allen: Okay. I'll just title the other ones.

Vehicle-to-grid is an emerging opportunity that is coming before us.

The OBC change is too slow. I would suggest that the minister may wish to be able to have performance requirements on the energy performance of buildings as part of the labelling and minimum energy requirements for products.

Finally, the province could and should show leadership in the buildings that are being built to be zero-carbon emitters. Both the Royal Architectural Institute of Canada and ASHRAE, representing the mechanical engineers, have called for zero-carbon buildings by 2030. The province should be doing it before then because we have a long learning curve to get there. I would suggest that we start with any new builds and move on to the retrofitting of existing buildings, of which I've done a fair amount of work. Thank you.

The Chair (Mr. David Oraziatti): Thank you very much. Mr. Tabuns, you're first up.

Mr. Peter Tabuns: Greg, thanks very much for the presentation. Could you talk a bit more about a net-zero or non-carbon-emitting building? I don't think a lot of people are familiar with the idea or the technologies that would be involved.

Mr. Greg Allen: Well, it's an enthusiasm around the world in the design community. A lot of buildings in the Middle East are going 100% renewables. I'm suggesting there are less dramatic ways of achieving those ends.

I referred to factor 10 efficiency improvements that are achievable, even in retrofit applications. We use, just as one example, about a third of our electricity in large buildings to blow around in the building. Those can be reduced readily by new technologies, like displacement ventilation, that require one third of the flow and 1/27th of the power to move that air.

We have looked at, in fact, a government building retrofit in which it appears that we could reduce the demands by 90% for the primary energy lighting and HVAC systems, and deploy enough renewables on the site of the building to export more energy than is demanded.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziatti): Ms. Broten?

Ms. Laurel C. Broten: Thank you very much. I'm wondering if you can give us a little bit more thought, or more detail, with respect to your suggested item number 2, energy storage, and whether or not you would propose that there are specific amendments needed in the act to accommodate expansion of storage, such as pumped hydraulic or other battery technology storage.

Mr. Greg Allen: There are three layers, and they may have different approaches required. If we're talking about hydraulic, we're probably talking about mostly OPG-controlled facilities, to examine the opportunities there, and to look at going beyond what's happening at Hydro in terms of pumped storage to expanding that. I've certainly read a number of investigations by electrical engineers of that opportunity.

In terms of the procurement by the private sector of capacities, whether they be storage or on-site generation that can be dispatched, that dispatchability is a value to the grid, so the investor in that should be rewarded for the value it provides to society.

That would also go for thermal. For example, shifting load by ice storage to deal with the peaks in the summer months is something that used to be done in Ontario, and done extensively in places like Chicago—large central chiller plants. I was involved in the deep lake water cooling project, which is, in a way, a natural annual energy storage system to do that.

Lastly, the demand response: You already have begun taking steps in that direction, I think with some success. I think that the valuation that has been offered is much lower than the cost of having to put in a peaking station, so you're underplaying the opportunities in that program.

Ms. Laurel C. Broten: Thank you.

The Chair (Mr. David Orazietti): That's time. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Mr. Allen. My question is similar to Ms. Broten's. I'm wondering if you've done any research to determine what potential—the amount of additional power that could be generated as a result of pumped storage. Many of our hydraulic installations are simply run in the river with no ability to store, but some would have some significant capabilities. Have you done any analysis to see what kind of power potential there is?

1730

Mr. Greg Allen: Only partial. At Hydro right now, we have 200 megawatts of pumped storage capacity, which could be expanded in its utility fairly readily without changing equipment if it's a reversible turbine system at Sir Adam Beck 2. It's been analyzed—just to give an example of what could be done, by raising Lake Erie's water table by one inch and lowering the lake, you would have several months of the total electricity demand of the province. In other words, there's a negligible impact in level of water, so the capacity is there. The investment in such a large-scale project would be considerable, but the Welland Canal has to be widened and some have proposed that in conjunction with that public work there could be installed a much larger pumped storage system that would allow us to take more hydraulic power out than is allowed by the Niagara agreement on water taking.

The Chair (Mr. David Orazietti): Thank you. That's the time for your presentation. We appreciate your coming in today.

WIND CONCERNS ONTARIO

The Chair (Mr. David Orazietti): Our next presentation is from Wind Concerns Ontario. Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions from members of the committee. You can start by stating your name for the purposes of Hansard, and you can begin when you like.

Mr. Keith Stelling: Thank you. Members of the committee, my name is Keith Stelling, and I'm here today to speak on behalf of Wind Concerns Ontario. We are the voice of 28 member groups from communities across the province dedicated to informing the public about the implications of industrial wind power and Bill 150.

Over the last number of years, the government of Ontario has permitted industrial wind complexes to creep into rural Ontario without considering their effects on people, animals or the environment. As well-meaning but naive municipal councils bought into the half-truths and double-talk of the industrial wind lobby, no government agency was guarding the interests of the rural residents of Ontario. Wind Concerns has done the research that should have been completed by our government before it embraced its ill-advised policy. Our research teams have concluded that the removal of barriers for renewable energy is simply a sly way of creating special and unprecedented privileges for what is at best a very costly, marginally effective and highly subsidized industry.

The people of rural Ontario are becoming increasingly aware and outraged that this bill removes their democratic rights and makes them second-class citizens. Thirty municipal and county councils representing over half a million people have already objected to the abrogation of all traditional and rational planning procedures.

You must expect that the major dissatisfaction already loudly voiced will continue to grow if the approach of the Liberal government to this bill is not radically changed. The way Bill 150 ignores the health of people living in the vicinity of these massive industrial machines is a glaring and inexcusable example of the antidemocratic way the bill treats rural residents. It subjects them to inferior public health rights.

Under the new subsection 142.1(3) of the Environmental Protection Act, in order to seek a review of a renewable energy approval, the citizen must show "serious and irreversible harm to ... human health or safety...." This is in marked contrast to the Environmental Bill of Rights, which entitles Ontarians to a healthy environment, not just an environment where they are only protected from serious and irreversible harm to their health. Wind Concerns members are in little doubt that this cynical and disgraceful provision was written by the wind turbine industry, which appears to have its fingerprints all over the bill.

Of course, this provision of the bill is also inconsistent with the provincial policy statement, which declares that development should be avoided if it "may" cause concerns for public health, safety and the environment. Further, it fails to comply with the precautionary approach used by public health authorities. Has the committee considered why this should be? Rural Ontarians will never accept that their public health rights are negotiable.

People in Ontario should have to show only a reasonable apprehension that there may be health concerns. The onus should be on the developer to prove that the concern is unfounded. Why would the wind turbine industry need such unprecedented, preferential and unique treatment

when it claims that turbines emit only a whisper? The committee has already heard evidence from people who are suffering from these installations. It will be hearing more on Wednesday when Dr. McMurtry presents his community-based health survey.

The following amendment is required to the proposed subsection 142.1(3) and to all other related provisions: "that the renewable energy project, as approved, may result in health or safety concerns or may cause serious or irreversible harm to plant life, animal life or the environment."

The present subsection is by far the most pernicious provision of the bill. It effectively renders all appeal rights worthless. The burden of proof placed on the citizen, who must appeal prior to construction within 15 days, is virtually impossible to discharge.

In its whole anti-democratic appeal process, this is the only appeal right given to a citizen who will not know, until after installation of these 30-storey high pieces of industrial equipment, that the life of the family will be one of torment.

This bill cannot under any circumstances be allowed to give the Ministry of the Environment the unfettered right to establish setbacks by regulation. Our member groups and affiliated ratepayers' associations have no confidence in the ministry's objectivity or competency to do this appropriately. One need look no further than the people whose health has already been jeopardized because of the present MOE noise guidelines. The MOE guidelines don't work because people are getting sick. Recent research indicates that two to three kilometres may not be enough, and this has to be studied before we go on. It is also unimaginable that such developments are being allowed near sensitive natural habitats, including migratory bird staging areas and provincially significant wetlands. Shamefully, it is being left to members of the public to gather and collate data.

All provisions in the bill giving the MOE powers to establish or approve setbacks must be stayed. There must be independent epidemiological health, noise pollution and electrical pollution studies, not set up by the Ministry of the Environment but by independent expert advisers reporting not just to the MOE but to the Minister of Health and to the chief medical officer of health, with the task of recommending appropriate setbacks in accordance with sound public health principles.

Until proper evidence-based setbacks have been determined, all construction of wind turbine complexes must be stopped near human dwellings, provincially significant natural heritage systems and migratory bird staging areas. Under no circumstances can wind turbines be allowed on the Niagara Escarpment World Biosphere.

Traditional planning controls must not be removed. Wind Concerns supports the municipalities and the Ontario Professional Planners Institute in this matter. It is unacceptable that the Minister of Energy and the Minister of the Environment are being given carte blanche effectively to write this statute for the Legislature and yet the public has no idea what it is going to cost or what a true analysis of the alleged benefits are.

All the objective evidence to date underscores that wind turbine development will cause harm to local communities, will be very expensive and, at best, of marginal benefit to climate change. In fact, in Germany and Denmark, carbon emissions have actually increased.

1740

Many legitimate, reasoned concerns and questions have been directed to you and to the government by Ontario citizens. These must be candidly and fully addressed before this bill goes any further. You have been advised: This will not be forgotten by the informed voting public.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Ms. Broten, questions?

Ms. Laurel C. Broten: Thank you, Keith, for being here today. I'm wondering if you can give me a brief description as to the structure of Wind Concerns Ontario—who the members are, when the organization came into being—and a little bit with respect to the research structure that you've put in place.

Mr. Keith Stelling: Yes, of course. The organization came into being over two years ago. It grew because people were already beginning to find that they couldn't get answers from MPPs or from the Minister of Energy or even from the Premier. After two or three years of total frustration—

Ms. Laurel C. Broten: Who are the member organizations?

Mr. Keith Stelling: The members of the organization are citizens. It's a non-profit organization. It's a voluntary organization. They're citizens coming from all parts of the province. Most of these people got involved in the first place because a wind turbine development was planned for their area and they weren't informed about it before it was sprung on them. There's been very little discussion in the public, and there's been even less in the press.

Ms. Laurel C. Broten: The Alliance to Protect Prince Edward County was a member organization, I believe?

Mr. Keith Stelling: Yes, indeed.

Ms. Laurel C. Broten: Could you provide us—maybe your website has it; I don't have it. Does Wind Concerns Ontario have a list of all its member organizations?

Mr. Keith Stelling: Yes, it does, in fact, the website is windconcernsontario.org. If you go on to that website, you'll find all sorts of information that you probably haven't thought about.

Ms. Laurel C. Broten: Can research get us a list off windconcernsontario.org?

Mr. Keith Stelling: There are also a number of documents on that website which would be very useful for you to read, because many of us aren't aware of the implications.

Ms. Laurel C. Broten: Thanks.

The Chair (Mr. David Oraziotti): Mr. Yakabuski.

Mr. John Yakabuski: I appreciate your submission today, Keith. In the hearings over the last few weeks, we've heard that some groups who have met with us, including the Ontario Sustainable Energy Association,

receive government funding. Have you people received any government funding to assist with your work?

Mr. Keith Stelling: I wish. I just paid out of my own pocket to print these papers for you. No one receives any funding from any government source. In fact, some of our members have had to pay over \$75,000 out of their own pockets in their community to attempt to present their problems at the OMB hearing on the Enbridge wind turbine development.

Mr. John Yakabuski: When we were down in London—I don't have a copy of the submission here—there was a submission from the Ripley Group. They gave a medical synopsis of one individual who had visited I'm going to say 14 doctors, specialists, with a myriad of medical issues that they felt—because I'm not a scientist; I'm not a doctor—were a result of living in proximity to a wind turbine. I don't think anybody is going to go to the doctor to entertain themselves—because I know how much I like to go to the doctor.

I'm trying to understand why the government is completely unwilling to even take a look at some of these things. I can't evaluate them. I don't have the qualifications. But for God's sake, somebody should be taking a look at it, don't you think?

Mr. Keith Stelling: Yes, indeed. It's very sad that we in Ontario aren't keeping up to date with the information that we've managed to publish on the Internet at the Wind Concerns site. These same problems—hypertension, cardiovascular difficulties, long-term sleep disturbances which eventually wear down immunity—are being experienced by people all over the world; in different jurisdictions throughout Europe and the United Kingdom. Papers have been published in England, the United States and France indicating that this is a serious problem. People in Ripley are having to wear rubber boots in their own homes to prevent side effects of the stray voltage on their bodies, people are having—

The Chair (Mr. David Oraziotti): I'm going to have to stop you there just for a minute. Mr. Tabuns has questions. That's time, Mr. Yakabuski. Mr. Tabuns?

Mr. Peter Tabuns: Thank you for coming down and presenting today. I know it takes a lot of effort to put these things together and then travel down. Stray voltage: Can you tell us a bit more about what people are experiencing there?

Mr. Keith Stelling: Yes. What I've heard is that, first of all, people felt they had bugs crawling under their skin. Then you get headaches. Someone even had a pesticide specialist come into the house and attempt to fumigate the place—that was the first step. Then eventually, you wake up at odd times of the night and then you can't sleep.

Human beings are very subtle; our minds are geared to an environment that doesn't bombard us with electrical currents. We're not built for that. It's destructive of human cells and it's no wonder that a person can't sleep when they're in this environment; it's like low-power torture. It's not acceptable that when there are other solutions to these problems we're not doing anything about it; that we haven't done a study before we went ahead with it. There's no excuse for a government or a civilization that allows its people to suffer when it is aware that these are serious health problems throughout not only Ontario but other jurisdictions that have already experienced the same thing.

Mr. Peter Tabuns: Do you think that the stray voltage is unique to renewably generated electricity?

Mr. Keith Stelling: It may well be. Certainly, it's not a problem in cities, although we have found people on sidewalks and their dogs being affected by it. But what is happening out in the countryside, where these huge turbines—you have to understand how big they are. They're 40 stories high. It's not just stray voltage that's the problem. It's also this flicker effect. Every time the blade goes past the sun you get a shadow being cast across your house. There's also the throbbing, thumping effect of this thing. You have to realize that in the country, we don't have streetcars. Our farm animals aren't used to sirens. They're quiet. There is nothing that intrudes into that space. Even a distant car makes very little intrusion. These electrical currents and this noise pollution are affecting the farm animals. Cows—

The Chair (Mr. David Oraziotti): Thank you, Mr. Stelling. I'm going to have to stop you there. That's time for your presentation. Your comments will be taken into consideration as will all other presentations.

Mr. Keith Stelling: Thank you very much.

The Chair (Mr. David Oraziotti): Committee stands adjourned until Wednesday, April 22, at 4 p.m.

The committee adjourned at 1748.

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Oraziatti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Oraziatti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Ms. Laurel C. Broten (Etobicoke–Lakeshore L)

Mr. Phil McNeely (Ottawa–Orléans L)

Mr. Peter Tabuns (Toronto–Danforth ND)

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke PC)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. Jerry Richmond, research officer,
Research and Information Services

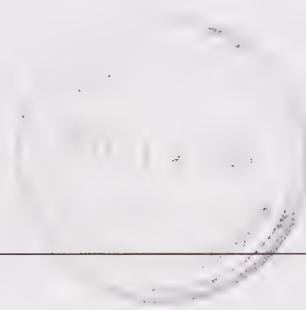
CONTENTS

Monday 20 April 2009

Green Energy and Green Economy Act, 2009, Bill 150, <i>Mr. Smitherman</i> / Loi de 2009	
sur l'énergie verte et l'économie verte, projet de loi 150, <i>M. Smitherman</i>	G-617
First Nations Energy Alliance	G-617
Ms. Cherie Brant	
Dr. Derek Paul	G-619
Ontario Bar Association	G-621
Ms. Dianne Saxe	
Mr. Chris Chopik	G-623
Blue Green Alliance Canada	G-624
Mr. Ken Neumann	
Dr. Rick Smith	
Low-Income Energy Network	G-627
Ms. Mary Todorow	
Ms. Theresa McClenaghan	
Ontario Home Builders' Association	G-630
Mr. Frank Giannone	
Mr. James Bazely	
Mr. David Henderson	
Electricity Distributors Association.....	G-633
Mr. Charlie Macaluso	
Mr. John Loucks	
Mr. Grant Church	G-635
Chippewas of Georgina Island First Nation; Windfall Ecology Centre	G-637
Mr. Brent Kopperson	
Toronto Hydro Corp.; Toronto Hydro-Electric System	G-639
Mr. Dave O'Brien	
Mr. Anthony Haines	
Alliance to Protect Prince Edward County	G-641
Mr. Henri Garand	
Mr. Orville Walsh	
Harten Consulting	G-643
Mr. Harvey Tenenbaum	
Mr. Greg Allen	G-646
Wind Concerns Ontario	G-648
Mr. Keith Stelling	

Continued overleaf

CA20N
Xc16
-G23



G-26

G-26

ISSN 1180-5218

Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Wednesday 22 April 2009

Journal des débats (Hansard)

Mercredi 22 avril 2009

Standing Committee on General Government

Green Energy and Green
Economy Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 sur l'énergie verte
et l'économie verte

Chair: David Oraziotti
Clerk: Trevor Day

Président : David Oraziotti
Greffier : Trevor Day

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Wednesday 22 April 2009

Mercredi 22 avril 2009

*The committee met at 1602 in room 151.*GREEN ENERGY AND GREEN
ECONOMY ACT, 2009LOI DE 2009 SUR L'ÉNERGIE VERTE
ET L'ÉCONOMIE VERTE

Consideration of Bill 150, An Act to enact the Green Energy Act, 2009 and to build a green economy, to repeal the Energy Conservation Leadership Act, 2006 and the Energy Efficiency Act and to amend other statutes / Projet de loi 150, Loi édictant la Loi de 2009 sur l'énergie verte et visant à développer une économie verte, abrogeant la Loi de 2006 sur le leadership en matière de conservation de l'énergie et la Loi sur le rendement énergétique et modifiant d'autres lois.

TORONTO ENVIRONMENTAL ALLIANCE

The Chair (Mr. David Oraziotti): Good afternoon, everyone, and welcome to the hearings for the Standing Committee on General Government and Bill 150. We'd like to call our first presenter: Toronto Environmental Alliance.

Good afternoon. Welcome to the committee. You can state your name for the purposes of our recording Hansard. You have 10 minutes for your presentation and five minutes for questions, and you can start when you like.

Mr. Franz Hartmann: My name is Franz Hartmann. I'm the executive director of the Toronto Environmental Alliance, or TEA, as we're known. TEA has over 5,000 members and donors and we advocate for a green Toronto. For most of the 20 years that TEA has been in existence, we have been promoting the need for energy conservation and renewable power.

Not surprisingly, then, I want to begin by congratulating the government of Ontario for the Green Energy Act. This is a historic and world-class piece of legislation that, if adopted, will go a long way towards helping Torontonians and Ontarians build a truly green and sustainable province and economy.

While some committee members might want me to identify all that is good with the proposed act—and there is much that is good—it is my obligation to TEA members to try to improve the proposed act by pointing out areas of concern and offering constructive solutions. In that spirit, I want to first note that we are a supporter of

the Green Energy Act Alliance and we request that this committee adopt the nine amendments that the alliance has requested.

I now want to focus my remarks on three specific areas of concern.

First, section 4 and schedule K of the act effectively remove renewable energy generation facilities and projects from having to conform to a number of planning approvals, in particular those under the Planning Act and the City of Toronto Act. We understand the importance for streamlining the approvals process for renewable energy projects. As we have noted elsewhere, the urgency of dealing with climate change and smog in Ontario and globally means we must move quickly and smartly in implementing conservation and renewable energy projects. Existing approval processes can be cumbersome and time-consuming, especially when the Ontario Municipal Board gets involved, but we want to make sure that the new process doesn't sacrifice public engagement, active participation by municipal governments and the emerging interest in community energy planning. To that end, TEA requests the government to develop a new, streamlined process that includes three important qualities:

- (1) There must be meaningful public engagement.
- (2) Municipalities who want to actively engage in the process must have a seat at the table and be viewed as partners.
- (3) The process should encourage and accommodate community energy planning.

I'm not a lawyer and I can't offer you the right technical language to incorporate these qualities into the new streamlined process. However, I am confident that committee members can develop amendments that ensure that either the act or the regulations that will accompany the act create a streamlined approvals process that includes these three qualities. Not doing this may, ironically, create conditions that slow down, not streamline, the development of renewable energy projects.

A second cause for concern involves amendments to the Electricity Act, in particular those found in schedule B, subsection 5(2) of the proposed act. The proposed amendment allows the minister to direct the Ontario Power Authority to undertake "the procurement of electricity supply or capacity, including but not limited to supply and capacity derived from renewable energy sources." As others have noted to this committee, this

amendment would give the minister and the government the right to build nuclear reactors without public scrutiny or approval by the Ontario Energy Board. By taking the OEB out of the picture, it would deprive Ontarians of the only remaining public forum to examine the government's nuclear plans. I doubt that this was the intention of the government and I hope the committee members agree that this problem must be solved. Thankfully, the solution is simple: Amend clause 5(2)(a) of the act to read as follows: "the procurement of electricity supply or capacity, limited to supply and capacity derived from renewable energy sources."

The third issue I would like to raise concerns the proposed amendments to the Electricity Act, as outlined in schedule B, section 15. This amendment limits municipalities to renewable energy generating facilities that do not exceed 10 megawatts. This limit may be fine for small municipalities in Ontario, but it puts an unnecessary ceiling on Canada's largest city, which wants to be a renewable energy leader in Ontario and Canada. The Green Energy Act makes it clear that the province wants Toronto and other municipalities to aggressively pursue renewable energy, so why put a 10-megawatt limit on Toronto? Therefore, I request the committee to develop and adopt language to ensure that Toronto has the room to build the renewable energy facilities it needs.

I want to end my remarks by speaking about a key reality acknowledged by this act: that energy conservation and renewable power are priorities for Ontario because they are both economically and environmentally prudent. It is a reality that should not just be acknowledged in this act; it should also inform all actions related to rebuilding Ontario's energy infrastructure. To that end, we call on the government to not proceed with rebuilding the Pickering nuclear power station. Instead, take those precious taxpayer resources and invest them in the energy conservation and renewable power that this act so rightly encourages.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Mr. Yakabuski, you're first up.

Mr. John Yakabuski: Thank you, Mr. Hartmann, for joining us this afternoon—I almost said "this morning." You have expressed concerns, as so many others have, about the taking away of municipal authority in this act, and we appreciate that you recognize that. Our concern and what we've heard is that this could be the thin edge of the wedge with respect to municipal powers and authority because all government is local, as they say, and there's a real concern that the communities themselves are being taken out of the process with this act in giving the powers to the Minister of Energy. Could you expand on some of those concerns and if you agree with what I've said?

Mr. Franz Hartmann: I think we're going through an important and necessary change. The current approach has a huge number of roadblocks and is incredibly inefficient, so I would think most people agree that the status quo is not the best way forward.

1610

Our concern is really based on not exactly knowing what the future will hold. It may very well turn out—and we have heard from various people that the intention is to actually engage the public and ensure that there is a vibrant public engagement process and that municipalities are at the table. We really just want to make sure that happens. At this point, I think it's too early to say whether or not it will happen. The signs look positive and the process, as has been explained to me by a number of people, is looking positive, but we just want to make sure that as the more streamlined process is developed, public engagement and local, municipal input and interest in community energy planning are key elements that help define the process. I actually do believe that there is a real interest and understanding that those are important, and hopefully, they will end up in the process.

The Chair (Mr. David Orazietti): Thank you very much. Mr. Tabuns.

Mr. Peter Tabuns: Franz, thanks very much for coming down and making a presentation. You've made a number of interesting suggestions here in terms of amendments to the bill. One of the concerns that I've had with the bill, although—as my colleagues would understand, I support renewable energy—is that there isn't enough of a focus on efficiency and conservation. Have you thought about how this bill might be shaped to put more of an emphasis on that area?

Mr. Franz Hartmann: I know that the Green Energy Act Alliance has, and I again refer to the recommendations that they've made that most recently have been posted on their website. I'm not an expert on this, so I don't want to profess to say, "Here are the best ways forward," but I think the Green Energy Act Alliance has some very useful recommendations on how to further promote energy efficiency. I agree completely; energy efficiency is the most important and best investment the province can make and any amendments that can be made to the act that strengthen it will only help, not only on climate change but also on smog and in helping the economic vitality of the province.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Orazietti): Thank you. Ms. Broten?

Ms. Laurel C. Broten: Thank you, Mr. Hartmann, for being here. I want to ask you specifically about your proposed amendment to schedule B, section 15, to which you referred with respect to 10 megawatts. Subsection 15(2) opens up the opportunity for municipalities outside the scope of, say, their hydro company to, for the first time, generate electricity up to 10 megawatts, which is the cap, "or such other capacity as may be prescribed by regulation." So there's a little more flexibility than an absolute 10-megawatt cap. But what I wanted to ask you is, are you aware of specific issues or specific problematic situations that would be created by this provision as it stands that is leading you to have this be one of your top three issues?

Mr. Franz Hartmann: I think it's one of the issues that we consider important because a whole bunch of

other—the Green Energy Act Alliance and many of the NGOs that are part of that have talked about a lot of the other key things, and I'm focusing on what I think is key to Toronto.

We know that the city of Toronto proper, the corporation, has some green energy proposals in the pipe. There's talk about using energy from Ashbridge's Bay possibly. There's been some discussion about doing green energy at the city of Toronto zoo. We just want to make sure that there's not a ceiling that stops the city from advancing with these proposals because that would be really unfortunate. We all agree that it's vital for as much green energy to be developed as possible. I'm not a lawyer. If the proposed legislation doesn't have a real cap on it, that's great, but let's make sure that there's nothing in there that could block the city of Toronto from developing internally as much green energy as possible.

Ms. Laurel C. Broten: Thank you.

The Chair (Mr. David Oraziotti): Thank you very much. That's time for the presentation. We appreciate you coming in today.

CANADIAN FEDERATION OF INDEPENDENT BUSINESS

The Chair (Mr. David Oraziotti): Our next presentation is the Canadian Federation of Independent Business.

Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions. Just start by stating your name for the purposes of Hansard, and you can begin when you like.

Ms. Judith Andrew: Thank you, Mr. Chair.

The Chair (Mr. David Oraziotti): Just one second. Before you begin, I just want to let members of the public know that there is an additional room to view the proceedings, committee room 2, which is out the door, to the end of the hallway and on the right. So if individuals are looking for additional seating and would wish to watch the proceedings, you can watch them from the room down the hall, committee room 2. There's additional seating.

Ms. Judith Andrew: Thank you, Mr. Chair. I'm Judith Andrew, vice-president, Ontario, with the Canadian Federation of Independent Business. I am joined by my colleague Satinder Chera, who is CFIB's Ontario director.

We've provided a kit for you which shows some of the history that CFIB has had on electricity industry policy. Because of time limitations today, we won't be able to refer to any of it, really, other than I did want to point out that in one of our prior submissions we made a recommendation for establishing an office of the provincial electricity auditor, which would have reported directly to the Legislative Assembly and supervised the OEB, the IESO, the OPA and various LDCs. Given where we are today, we wish that one had been adopted.

Turning to our first slide, it describes the sector that we represent, which represents 81% of Ontario's busi-

nesses having fewer than five employees. Most businesses, actually, have no employees but our sector accounts for more than half of the employment and nearly half of the GDP and, we're told, about one third of the electricity load. Yet there has been a consistent pattern over the years of no data being collected on small business electricity use and of our sector typically being all but ignored in terms of electricity policy, including the most recent media release announcing this legislation.

The next slide shows the Ontario business confidence of our sector. As you can see, Ontario lags the nation now for 13 consecutive quarters, although there was a very slight uptick in the quarter ended March. The reason I mention this is the following chart shows the factors that affect business outlook in the province. One of the key ones that has deteriorated is energy costs. So that very definitely puts whatever is done in this policy arena squarely in the economic realm—for our members, at least.

Bill 150, as we look at it—and we've had a recent briefing on it. We haven't had much of a chance to have much input to date, but we find it to be a mixed bag for our members. Certainly, streamlining the approval process is something that we have data supporting; however, that is also a two-edged sword, depending on certain kinds of projects affecting tourist areas. As well, the notion of creating a culture of conservation sounds positive, and we have a lot of information from our members regarding conservation, which Satinder will get into in a moment.

But on the negative side, as we read it, it looks like power procurement by competition is out and green energy sources are in as a right. We understand that certainly when the OPA held any green energy procurement, there were plenty of proponents, so we are perplexed about why the change has been to move away from a competitive approach to a rights approach, particularly when the supply mix is being established by the government in the first place.

We also feel that the legislation hardly mentions cost at all. It's certainly vague on cost allocation. It looks like there's the possibility of shifting of costs among classes of consumers by regulation, and we do worry about that, because the small and medium-sized business sector tends to be ill-treated. The large power users are knowledgeable and they have a strong voice. Individual residential users tend to get looked after by their elected representatives, but small and medium-sized businesses are stuck in the middle. Right now, even under the RPP, there is a cross-subsidy from small business to residential consumers which we've been concerned about and raising with the minister and everyone we can think of. As well, on the smart meters proposal—and it's moving ahead—there really hasn't been any impact analysis on our sector, and we have some information on that that we think you should look at.

1620

Finally, on the competitive pricing side, we really think what we're seeing here is the system moving from

what was a least-cost proposal to a whatever-it-costs proposition. With affordability not being a criterion for provincial energy policy, that will certainly worsen our members' concerns with that particular input cost to their business, at a time when they can hardly afford to have anything else deteriorate for them.

Satinder?

Mr. Satinder Chera: The next slide speaks to the number of our members who are currently on the regulated price plan. Nearly 66% are currently on the regulated price plan. In fact, this is a plan that, last year, would have expired for small businesses. With credit to the former Minister of Energy, Gerry Phillips, the recommendation was made to continue that exemption for businesses going forward indefinitely. So we certainly appreciate the fact that the government, to a certain extent, understands that energy is a critical input for small businesses. On the next slide, you can see just how much it is. For nearly 42% of our members, as you can see, energy is a pretty significant input cost in their firm's total costs.

If you go on to the next slide, "Cross-subsidy within the RPP," Judith mentioned—in fact, in discussions that we've had with various officials not only within government but outside of government, no one disagrees that there is a cross-subsidy going on within the system as it currently stands. It's just that we can't get anyone to do anything about it, which is why it gives us concern when we look at some of the elements within the act that talk about shifting the load between consumers. We're certainly worried about what that might mean for our members going forward if they're already getting hammered under the current system.

The next slide talks about smart meters. This is a critical issue for our membership. We have gone to our members and have asked them if they are in a position to shift load, which is essentially what they will have to do if they're going to be able to realize cheaper energy costs. In fact, 82% of our members are not in a position to do that. We think that's a ticking time bomb, quite frankly. On the next slide, we've asked our members, "What impact do you think this will have on your business?" Over a third of our members see a negative impact flowing from this, which we think the government needs to address quickly.

On the next slide, it should be pointed out that when we've asked our members about their level of concern about different environmental aspects, energy conservation is number one. Sixty-two per cent of our members see that as a priority. That's something that we've been talking to the government about for the past number of years, because we think that's one area where there can certainly be a lot more work done in terms of helping small businesses to cope with their energy costs.

On the next slide, we've asked our members, "In the past few years, what steps have you taken to conserve energy at your firm?" Almost 86% of our members have already taken some sort of steps to make those changes.

When you go to the next slide, in terms of what has prevented them from making those changes, the number

one reason—32%—is the need for more information on how it can be done. This speaks to the point that Judith made earlier. It seems, quite frankly, that our sector is always the one that's left out of every government policy, particularly when it has to do with energy. Twenty-five per cent talked about the fact that upgrading of facilities and equipment is too expensive. If we're going to get this sector of the economy to participate in this, we're going to have to give them the tools that are necessary for them to get there.

In terms of approvals of generation and transmission projects, we know that the province has to refurbish 80% of its generating capacity by 2020. Certainly, our members are on board in terms of streamlining the processes that are in place so that we can get those energy projects online as quickly as possible.

On the final slide, in terms of our recommendations, I think the key message that we have for the committee is that price does matter. It should not be a given that electricity costs will be rising for good. There should be steps taken, particularly in this type of an economy where we have a lot of businesses that are struggling. The last thing that they need is another increase in their input costs. Number two, more transparency on supply mix choices: I think it's important, in terms of the different decisions that the government is looking at, that people fully realize how much it's going to cost. That's one of the things that we don't think it clearly articulated in this legislation: how much it's going to cost. We think that that needs to change.

We also think that there needs to be more information directed particularly at our sector when it comes to conservation steps or measures that they can take, because quite frankly, that has been sorely missing over the past number of years.

Finally, we think that the government should move to correct the inherent cross-subsidization under the RPP and time-of-use fairness, which we think is critical because it will have a damaging impact for businesses that are unable to shift their load.

With that, we'll be happy to take any questions you have.

The Chair (Mr. David Oraziotti): Thank you very much. Mr. Tabuns, you're up first.

Mr. Peter Tabuns: Judith and Satinder, thank you very much for putting this together and coming out today. Looking at all the perspectives that you've brought here, if in fact this program, this legislation, resulted in the provision of, say, solar panels to provide peaking electricity for small businesses at a leased rate that was competitive with current electricity costs, is that something that you think there would be a big uptake in?

Ms. Judith Andrew: Absolutely. We couldn't put all our slides in here, but we do have a slide that shows that our members line up very much like the general public in terms of what they consider to be acceptable sources of energy supply, and wind and solar are up there, and nuclear and so forth. And down the list—way down, of course—coal was at the bottom. So they line up very

much like the general public, and I think that if it was economic for them, they'd welcome it. They are very much concerned about the environment. You can find a lot about their views on that in the study. But price has to be a factor. It can't be ignored.

Mr. Peter Tabuns: That makes complete sense to me.

Right now, in Ontario, hydro costs about one and a half to two cents per kilowatt hour to make; coal is about two and a half cents. Energy efficiency is about two to four cents a kilowatt hour, and new nuclear will be about 15 cents a kilowatt hour. My guess would be that your organization would support a very strong emphasis, a core emphasis, on efficiency and conservation as this plan goes forward.

Ms. Judith Andrew: Absolutely—

The Chair (Mr. David Oraziatti): Sorry, Mr. Tabuns, we're not going to have time for a response on that. We need to move to the next caucus. Ms. Broten.

Ms. Laurel C. Broten: Thank you both for being here. I was looking at the folder that you handed out and reading your slogan, "Powered by Entrepreneurs." I was thinking how timely a slogan that is for your attendance here today. One of the things that we have heard over the years is certainly that the green energy sector is a sector ripe for entrepreneurship. There are a number of small entrepreneurs in my community and beyond who are looking for a window of opportunity for the government to signal that opportunity exists. Certainly, our aspiration as a province is that we become a leading jurisdiction in that area, with investments and opportunities for engineers, small entrepreneurs. So I wonder if the CFIB is looking at the opportunities that might exist for Ontario entrepreneurs to literally power the province.

Ms. Judith Andrew: We have members in every sector, and we do have members that participate in this sector. In fact, some of them have very innovative things. One of our members is doing a trial in our own building dealing with a mechanism that prevents everything from peaking at the same time, basically. So there are some pretty interesting things going on. Absolutely, entrepreneurship is alive and well, and definitely in this sector.

Ms. Laurel C. Broten: Great. And I will take away that there is in existence a number of programs that speak to small and medium businesses. If we're not getting that message out, then we at the Ministry of Energy and all of our folks need to work with you folks to make sure that your members know about these programs that do exist now and more that will come in the future.

The Chair (Mr. David Oraziatti): Thank you, Ms. Broten. Mr. Yakabuski.

Mr. John Yakabuski: Thank you, Judith and Satinder, for coming in today. Thank you for the great work that you do on behalf of small business here in the province of Ontario. I was a member of the CFIB for 20 years.

You walked about smart meters and the impact that they could have, because what people fail to realize sometimes is that while they're out working during the day, for the most part that's the time of day that small

businesses, in the peak periods, are going to be having their energy requirements, and that the time of use is going to have a significant effect on small business, and we appreciate bringing that to us.

Also, you talked about price. London Economics International released a study, and a full report will be coming out shortly, indicating that prices could go up under this act from between 30% and 50%. The minister makes a silly claim that it's going to have a 1% per year effect on energy prices. You can't pay out those kinds of prices without it having some kind of effect on the price that people pay. If somewhere between there is the number that comes out, what kind of effect is that going to have on small business in the province of Ontario?

1630

Ms. Judith Andrew: We've been concerned. We saw those numbers. I know they were commissioned and delivered a couple of weeks ago or maybe a month ago. When you look at those kinds of potential costs you worry, because already energy costs are a big item and they've been worsening. Every message we're getting from anyone we talk to around Queen's Park is that prices are going way up. That's a disaster. The last thing businesses need at this time is a big increase in one of their key input costs.

Mr. John Yakabuski: Thank you very much. I appreciate that.

The Chair (Mr. David Oraziatti): Thank you very much for your presentation.

ONTARIO REAL ESTATE ASSOCIATION

The Chair (Mr. David Oraziatti): Our next presentation is the Ontario Real Estate Association.

Just for the purposes of folks that are here to view committee proceedings and also make presentations, in committee room 2, out the doors to the right, there is more seating available and you can watch the proceedings there if you'd like. So anyone who's standing and doesn't have a seat and would like to go down the hall to committee room 2 can do that.

Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. Whoever will be speaking, just please state your name for the purposes of our recording Hansard, and you can begin when you like.

Ms. Pauline Auger: Good afternoon, and thank you for giving me the opportunity. My name is Pauline Auger, and I am the president of the Ontario Real Estate Association. Joining me this afternoon is Barb Sukkau, the chair of our government relations committee, and Jim Flood, who is OREA's director of government relations.

By way of background, the Ontario Real Estate Association is one of the province's largest trade associations, with over 47,000 members who are real estate people and brokers. OREA was founded in 1922 to organize real estate activities and to develop common goals across the province. These goals include promoting high industry standards and preserving private property rights.

We are here today to express our opposition to mandatory home energy audits, but let me start by telling the committee about OREA's recent addition and renovation to our head office in Don Mills.

Our industry is conservation-conscious, and we take energy conservation particularly seriously. That's why we decided to have our building LEED-certified. LEED, which is Leadership in Energy and Environmental Design, contains some of the most rigorous environmental standards for sustainable construction in North America. Although LEED certification added over \$600,000 to our costs, realtors are proud that our head offices will be amongst the most energy-efficient and environmentally friendly in the province. Our association undertook this initiative voluntarily without any mandatory requirement, because realtors, like most Ontarians, recognize the benefits of going green.

As I mentioned earlier, realtors have a number of concerns with respect to Bill 150. We have left, by the way, supplementary information with the clerk; however, our presentation today will focus on OREA's opposition to section 2, subsection (1), of the bill: the requirement for mandatory home energy audits.

We firmly believe that mandatory home energy audits will impose unnecessary costs on home sellers, it will act as yet another barrier to home-ownership, and in the end, it will not contribute to its stated goal of improved energy conservation.

First, let us look at the costs. Home sellers will first pay some \$350 to \$500 to obtain a home energy audit. It's an unnecessary fee because it provides very little information beyond a highly subjective number. But that's not the real problem. The real problem is that few homes will receive positive ratings, and those with less-than-ideal energy ratings will face pressure from homebuyers to either spend thousands of dollars to improve the energy efficiency of their home or lower their sale price.

For a moment, let's assume that a homeowner sells his home for \$10,000 less than the original asking price based on the results of a home energy audit. Bill 150 presumes that homebuyers will use these savings to invest in improvements to the energy efficiency of their newly purchased home. I have been a realtor for over 30 years, and I can say with certainty that the overwhelming majority of homebuyers will not invest in new energy-efficient furnaces, wall insulation or solar water heaters. Instead, buyers tend to customize their recent purchase by investing in things like kitchen renovations, new furniture and other cosmetic alterations.

If the ultimate goal of mandatory home energy audits is to improve the energy efficiency of the housing stock of Ontario, then the government should expand its successful rebate program, not pass laws that won't work.

OREA is also concerned that mandatory home energy audits unfairly target single-family homeowners. Although subsection 2(1) of the bill is broad in terms of its application, OREA has learned that mandatory home energy audits will apply only to single-family homes.

The fact that the government has chosen to place the burden of mandatory home energy audits directly on homeowners is extremely concerning to Ontario realtors. This design ensures that while all Ontarians contribute to our pollution problem and share in the benefits of going green, owners of single-family homes will bear the majority of the costs. If a culture of conservation is indeed a public good, as the government has indicated, then we should all share in its cost, not just homeowners.

As well as having concerns about home energy audits' impact on homeowners and our economy, realtors have serious doubts about their reliability. For example, an investigative report by the Toronto Star on home energy audits received three different sets of energy ratings and three different lists of recommended retrofit renos, ranging from \$5,000 to \$25,000, all on the same house. Compare this lack of standards to the consistent results of testing used to produce energy ratings on cars and appliances, and you will find that trying to rate an individual home is a very subjective process. We believe that the results of home energy audits are too inconsistent to be legislated as a requirement in a real estate transaction.

Realtors are not alone in their opposition to mandatory home energy audits. In fact, we are now joined by one of the largest, most important groups in this province: Ontario's 2.5 million homeowners. An Ipsos Reid public opinion survey released on Monday shows that 65% of Ontario homeowners oppose a system of mandatory home energy audits. Indeed, 92% of homeowners favoured voluntary audits, as does the Ontario Real Estate Association. Furthermore, a massive majority of 94% of homeowners believe that mandatory home energy audits will impose significant costs on home sellers and first-time buyers.

In addition, the poll found that 70% of Ontario homeowners believe that mandatory home energy audits will deter them from selling their home, having a detrimental effect on the real estate sector and Ontario's economy. Not surprisingly, the majority of Ontario homeowners oppose mandatory home energy audits because they know that the audits will hurt the affordability of housing, add yet another brake on the economy and erode hard-earned home equity.

In the place of mandatory home energy audits, the Ontario Real Estate Association supports the existing provincial home energy audit rebate program and the combined federal/provincial ecoEnergy retrofit program. These programs provide homeowners with cash incentives to voluntarily assess and improve the energy efficiency of their home. We therefore urge the government to expand the incentives and opportunities available to homeowners so that they can improve home energy efficiency without worrying about lost home equity.

Like all responsible Ontarians, realtors support sound public policy that promotes green initiatives. We strongly believe that the environment is our legacy, and protecting it is one of our greatest gifts to our future generations. Realtors are confident that we can help create a culture of

conservation without resorting to mandatory requirements.

Thank you, and I'd be pleased to take your questions.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Ms. Broten, questions?

Ms. Laurel C. Broten: Thank you very much for your presentation. One of the issues that I've heard from folks around the province is that buyers of homes really want complete disclosure, and they depend on their realtor and those giving them advice at the time of transaction to make sure that they have that information. Perhaps, at times, because it's obvious to the eye, something like renovating a countertop takes priority over doing some work which might be energy-retrofitting a home. We've had presentations before committee in the last number of days that really explained to us how much detail is provided with respect to a home energy audit.

1640

It would seem to me that type of information, combined with the fact that the audit is then transferable to the new purchaser, helps very much on a critical issue and a critical barrier to first-time buyers and entry into ownership, and that is the carrying costs associated with that home. So I just want you to speak to why information which directly relates to the carrying costs of a home would not be of critical disclosure importance to a homebuyer, especially a first-time buyer.

Ms. Pauline Aunger: I agree. A first-time homebuyer is certainly very much aware of what their energy cost is going to be. Realtors in this province are very conscious of that. One of the things that's asked in most real estate transactions is, "What is the energy cost of carrying the house?" So the new buyer comes in knowing that. On a voluntary basis, they will ask to have a building inspection; they will ask to have the energy costs. That is included normally in a purchase of any home in this province by a realtor. But the thing is, it's on a voluntary basis.

We had a public opinion poll by Ipsos Reid that said that the majority of first-time homebuyers are more concerned with the amount they're going to pay for the house, the location of the house, whether it's close to their work, whether it's close to public transportation. They did not even list the energy costs, surprisingly enough, in the top number of things that they thought was important in a purchase.

The right to know is a subjective right, I find, because I believe that if you're buying a home you have a right to know if there is a crack in the foundation, and yet we have not seen this province make mandatory home inspections. I have a right to know if the house I'm buying used to be a grow-op, but in spite of the fact that we have spoken often to have a public listing of grow-ops in this province—a thing that is a health concern to a buyer—there is not. So the right to know is subjective. We truly believe they will have that right if it's voluntary.

The Chair (Mr. David Oraziotti): Thank you. I'm going to have stop you there. Mr. Yakabuski, questions.

Mr. John Yakabuski: Thank you very much, Pauline and Jim. I'm pleased that you could join us today—oh, and your name?

Ms. Barb Sukkau: Barb.

Mr. John Yakabuski: Interesting: Ms. Broten was talking about the importance of this energy information. To my knowledge, as they make the request for a home inspection, there's nothing to preclude or prohibit the buyer from making a request for an energy audit as part of the offer of purchase and sale. They could make that request today. It would be at their expense, just like a home inspection is. So if they really felt that was the key issue, if they examined the hydro bills and gas bills and everything else, they could still make that request. You can answer that one when I finish here. So they have that option today if they want it, and that's on a voluntary basis and that wouldn't make it mandatory.

The other thing that I find kind of strange is that they want to talk about the energy efficiency of homes. One of the biggest consumers of electricity in the home is not the home itself but what you put in it—for example, appliances. The government, with their McGuinty tax grab beginning next year, is not even exempting Energy Star appliances from their tax grab. I'm just amazed that they would do that. If they want to talk about energy efficiency, why aren't they addressing that?

Ms. Pauline Aunger: Prospective homebuyers who want an energy audit truly can put it into any agreement of purchase and sale and make it conditional. Even today, we will see buyers who choose to have an energy audit, but it is on a voluntary basis and it's negotiated as part of their agreement of purchase and sale.

The Chair (Mr. David Oraziotti): Mr. Tabuns.

Mr. Peter Tabuns: Thank you very much for the presentation and coming here. I've had an opportunity to hear OREA on a number of days. I've asked questions before about the energy audit, but I want to ask a different question. I asked it of the Canadian Federation of Independent Business people. If, in fact, homeowners were offered a large-scale program of leasing, at a low cost, renewable power technologies—for instance, a solar panel on your roof so that you could sell power into the grid and reduce your peak demand during the day—do you think there would be much uptake?

Ms. Pauline Aunger: We actually have never had that question asked of us before, so it's an interesting question. Even now, I sell homes that are off the grid, so there are people who voluntarily do choose to have—who have never wanted to be part of Ontario Hydro or whatever, who voluntarily are in solar, in wind. So I think, yes, there are homebuyers who will choose to do that.

Mr. Peter Tabuns: Do you think there would be a lot of homebuyers who would do it if it was cost-competitive with their current cost of electricity?

Ms. Pauline Aunger: It's an interesting question, because I don't think we've ever done a study on it, but I don't know the answer to that question.

Mr. Jim Flood: Anecdotally, I think the answer is yes. It would depend on the cost. Right now, things like

solar panels are prohibitively expensive, and the people who install them are making an environmental lifestyle choice. If you look at the return on investment, it would take them decades to recover the capital costs that they put into things like solar panels.

The Chair (Mr. David Orazietti): Thank you; that's time for your presentation. We appreciate your coming in this afternoon.

CONSUMERS COUNCIL OF CANADA

The Chair (Mr. David Orazietti): Our next presentation is the Consumers Council of Ontario.

Let me take a moment and remind members that they have in front of them—there was a question that was raised the other day in terms of the Wind Concerns Ontario group, the 28 organizations—that information, which has been provided by research.

There was one other question around hydro that is not currently in operation. Research has part of that information but not a full complete response yet. They are continuing to gather that information, but it is unclear at this point whether anyone has a single, comprehensive list.

Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. Please state your name for the purposes of Hansard, and you can begin your presentation.

Mr. Bill Huzar: My name is Bill Huzar. I am the president of the Consumers Council of Canada. Joining me today is our legal counsel on energy issues, Robert Warren, and he has promised not to answer any questions and keep us here forever.

The Consumers Council of Canada is a non-profit public interest organization that represents the interests of residential consumers of energy. The council has worked actively and has been actively involved in all aspects of regulation in the energy sector in Ontario for a number of years.

The council's work in the energy sector is guided by a set of consumer rights. The full text of those rights is attached as an appendix to this submission. For the purposes of these comments that follow, the most important of those rights will be addressed:

The first is the right to access; that is, access to reliable sources of energy at affordable prices in order to meet household needs—heat, light, cooking etc. Affordable prices are prices that reflect the true cost of production and delivery, are borne equitably by all segments of society and do not require consumers to neglect other basic needs such as shelter and food.

The second right is the right to information: information that is timely, accurate and complete about sources of energy, pricing and wise use of energy so that residential consumers can make important and informed choices about their energy use.

The third right is the right to choose: the right to choose energy products and services at competitive

prices and, when this is not possible because of a monopoly situation, the right to have independent and effective regulatory oversight to ensure that the pricing of energy is fair and reasonable.

The fourth right is the right to representation; that is, the right to have residential consumer interests effectively represented in the regulatory and government process.

For the reasons we will describe, this piece of legislation, Bill 150, fails to ensure those rights in certain key aspects. Overall, the council believes that, while there are beneficial aspects of the GEA, the renewable energy resources provisions are detrimental to the interests of residential consumers. The council believes that the government has not demonstrated that it needs to diminish regulatory oversight and reduce consumer protection to accomplish the stated goals in the bill.

It is important to note at the outset that the council strongly supports conservation in the electricity sector. The council believes that cost-effective conservation measures are in the long-term best interests of residential consumers. Because of that, the council supports some of the conservation measures in the bill:

—first of all, the requirement for home energy efficiency audits, the cost of which we do not believe will significantly affect the value or the selling or leasing price of a home;

—second, the use of mandatory energy efficiency standards for appliances; and

—third, enhanced efficiency requirements for new homes in the Ontario building code.

These are effective tools for government to use to make lasting energy improvements and ensure a future energy-efficient housing stock.

1650

The council also supports measures which reduce greenhouse gases and move the energy sector away from reliance on fossil fuels as the principal source of energy supply. These goals cannot be accomplished at the expense of consumer protection. The reduction of greenhouse gases and the move away from the use of fossil fuels must be done in a way which protects the interests of consumers in being able to get access to an essential service at an affordable price. The bill does not accomplish that goal. On the contrary, the extraordinary range of directive powers given to the minister creates the risk that electricity prices will be increased substantially while consumer protection is effectively eliminated.

The council has six principal objections to the bill. A detailed analysis supporting each of these objections appears in the written submission that you have. In addition to describing the objections to the bill, the council will set out suggestions for amendments to it to address those objections.

Our first objection: The provisions of the GEA will add materially to the cost of electricity at a time when many consumers are facing economic distress. Because of the way in which our electricity system has developed and given technological differences, electricity from re-

newable sources is inherently more expensive than electricity from other sources. To this will be added the cost of new or reinforced facilities to connect new renewable sources to the transmission and distribution systems. The cost will be increased by the use of feed-in tariffs, which subsidize uneconomic energy sources.

There are no cost-effective criteria within the bill. Residential consumers may also have to pay higher prices to subsidize commercial and industrial users. These increases in costs will be imposed at a time of significant economic distress for many consumers.

The second objection: The provisions of the bill allow the minister to weaken, if not eliminate, the power of the OPA and the OEB to protect the interests of consumers with respect to prices. Put simply, independent regulatory oversight necessary to protect the interests of residential consumers can be substantially weakened, if not eliminated altogether. The GEA allows the minister to direct the terms on which the OPA contracts for renewable energy sources, including allowing the minister to eliminate competitive bidding and the ability of the OPA to use cost-effective considerations.

The GEA allows the minister to direct the OEB to approve transmission and distribution investments to support the renewable energy supply system without regard to cost. The GEA allows the minister to eliminate the power of the OEB to protect consumers with respect to prices.

Our third objection: The provisions of the GEA are not necessary to meet the stated goals of the bill. There is no evidence that the existing legislation impedes the development of green energy sources. There is no evidence that the existing regulatory arrangements have prevented the development of renewable energy resources. The minister has the power now to issue guidelines and directives with respect to renewable energy sources without diminishing the protection of consumers through regulatory oversight. There is no evidence that the reduction or elimination of regulatory oversight and consumer protection is necessary to accomplish the goal of promoting renewable energy sources.

Our fourth objection: The provisions of the GEA allow for unfair allocation of costs between rate classes. The minister can direct the OEB and the IESO to allocate costs in a way that requires residential consumers to subsidize other rate classes and to subsidize economic development. The subsidies for economic development should come from general revenue so that they are borne equitably. The GEA allows the costs of generation, for the first time, to be allocated to different customer classes on a different basis—an unfair burden on residential consumers.

The fifth objection: There is a complete absence of transparency and accountability for decisions which will affect the price that consumers pay for electricity. The critical decisions affecting the cost of renewable energy sources, the cost of connecting those sources to the grid and the use of the subsidies are made by the minister, without public scrutiny or accountability.

Our final objection is: The protection of residential consumers can be substantially diminished, if not eliminated. By allowing the minister to diminish or eliminate the power of the OEB to exercise independent regulatory oversight over the cost of connecting renewable energy sources to transmission and distribution systems, the protection of the residential consumer will be reduced, if not eliminated.

In summary: First, the right to access of the residential consumer to energy at affordable prices is put at risk by the provisions of this bill.

Second, the right to information of the residential consumer about energy is severely compromised, first by the lack of information the government has provided about the costs of the provisions of the GEA—the minister has said 1% a year over 15 years; that's his statement and I understand there's no data to back that up—and second by the lack of transparency in the decision-making process about new resources and the smart grid.

Third: the right to choose. The right to choice, to have regulatory oversight to ensure fair and reasonable pricing of energy, can be eliminated by the minister's power to constrain the OEB's oversight powers.

Lastly, the right to effective representation is severely curtailed if the minister's directives remove the ability of the OEB to examine the transmission and distribution costs related to the renewable energy sources and the cost of a smart grid.

The council does believe—

The Chair (Mr. David Orazietti): Thank you very much. I'm going to have to stop you there. That's time. Mr. Yakabuski, questions?

Mr. John Yakabuski: Thank you very much for your presentation. It was very informative, but not surprising, because I knew that the Consumers Council would be speaking on behalf of consumers. This is something that we've been very concerned about: the cost of power and what this bill will do to the cost of power; how it will affect every family and homeowner here in the province of Ontario. You have articulated that very well. It could be very detrimental and damaging.

The one thing I want to ask you about is with respect to the minister's powers and the OEB. The OEB has historically been the consumer protector when it comes to power and the pricing of power in Ontario. Would you agree that this bill effectively eviscerates the OEB, takes away its power and puts it into the hands of the Minister of Energy, with respect to them no longer being the protector and the minister making all the rules?

Mr. Bill Huzar: Rob, do you want to comment?

Mr. Robert Warren: Certainly, Mr. Yakabuski, the bill contains the authority for the minister to do exactly that. We have to assume that these provisions were put in the bill because the minister intends to exercise those powers. We presume—

Mr. John Yakabuski: Why else would they put them in?

Mr. Robert Warren: Why else would they put them in?

The Chair (Mr. David Orazietti): Thank you; that's time. Mr. Tabuns, questions?

Mr. Peter Tabuns: Thank you for coming down and making this presentation. Do you have similar concerns about the government's commitment to substantial investment in nuclear power? The Premier, today, when asked in question period about whether or not he would eliminate the responsibility of taxpayers and ratepayers for taking on cost overruns in the development on nuclear, would not repeat a commitment that he made in 2006. In the United States, we're looking at power coming from new nuclear power plants at 15 cents a kilowatt hour. Do you have some more concerns about nuclear based on its cost and the potential for overruns being put on our backs?

Mr. Robert Warren: Absolutely.

Mr. Peter Tabuns: I don't need to ask anything more.

Mr. Bill Huzar: I'm sorry; not to specifically direct it to nuclear power, but I believe we're talking about the costs of all energy production and that the costs of that energy production should be shared equitably by the citizens of Ontario.

The Chair (Mr. David Orazietti): Thank you. Ms. Broten?

Ms. Laurel C. Broten: Thank you very much. Thank you for being here. I just want it confirmed that the council is a non-profit, public interest organization representing the interests of residential consumers of energy. You have commented that you believe that timely and accurate information with respect to energy efficiency and usage is important. In so doing, you've supported the requirement that home energy efficiency audits be undertaken. How do you respond to the comments made, for example, just before you came to the table from the real estate agents, who say the audit is going to hurt the very people you also advocate on behalf of? How do you respond to those comments?

1700

Mr. Bill Huzar: It's very difficult to make a hypothetical response to that kind of question. I honestly believe, and the council honestly believes, that it's to the benefit of Canadians as a whole to move forward on any energy-efficiency and energy-savings matters we can. We're highly supportive of the conservation measures that are within the legislation here right now. We think that these things should go forward. This, to me, is another energy conservation issue, and I don't believe that in the long run we're going to see it detrimental.

Ms. Laurel C. Broten: Thank you for your comments.

The Chair (Mr. David Orazietti): Thank you very much. That's the time for your presentation.

ENBRIDGE GAS DISTRIBUTION

The Chair (Mr. David Orazietti): Our next presentation is Enbridge Gas Distribution.

Just a reminder for individuals standing at the back of the room or who don't have a seat: There's an overflow room, committee room 2, out the doors to the right, at the end of the hall and turn right again. You can watch the proceedings in that room, should you wish to have a seat.

Good afternoon. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions by members of the committee. You just need to state your name for the purposes of Hansard, and you can begin your presentation.

Ms. Debbie Boukydis: Thank you, Mr. Chairman and members of the committee, for the opportunity to speak today. My name is Debbie Boukydis and I'm the director of public government and aboriginal affairs for Enbridge. I'm joined by Trevor MacLean, Enbridge Gas Distribution's director of market development.

First, let me congratulate the government on this proposed legislation which sets the course for Ontario's energy future. Today, I'll share experiences building a large wind power farm in Ontario and how we believe that the streamlining envisioned in the proposed Green Energy Act will encourage investment in such projects in the future. Trevor will then detail the types of work we can do to support the objectives of the Green Energy Act before I summarize. You can follow along with the handout.

Enbridge supports Ontario's efforts to encourage investment in sustainable energy through the Green Energy Act. We believe that the act will encourage businesses, including Enbridge, to invest in the green energy technologies that will move Ontario toward a clean energy economy.

Let me tell you a bit about Enbridge in Ontario. Enbridge Inc., a Canadian company, owns Enbridge Gas Distribution and its affiliates, which distribute natural gas to 1.9 million customers in Ontario, New York state, New Brunswick and southeastern Quebec. Enbridge Gas Distribution has a 160-year history in Ontario, employs about 1,850 Ontarians and is Canada's largest natural gas distribution company. Enbridge Ontario Wind Power, Canada's second-largest wind farm, near Kincardine, Ontario, and Enbridge Electric Connections, an Ontario Energy Board-licensed smart-metering company, are also owned by Enbridge Inc.

To illustrate how the Green Energy Act and the associated regulatory changes that would accompany it would attract investment, Enbridge offers the recently completed Enbridge Ontario Wind Power project. This example demonstrates the importance of the regulatory streamlining plans proposed in the act. Enbridge was awarded a contract to build its wind power project in November 2005 and expected the project to be commissioned by February 2007 under a simplified environmental screening process. However, due mainly to a number of duplicative environmental and planning processes and a lack of clarity around the First Nations consultation process, the project was not commissioned until this month, a full two years late.

In 2007, Enbridge shared this perspective and other recommendations with the government. We also spoke, by invitation, before the Minister of Energy's Agency Review Panel. At that time, Enbridge provided an overview of its Ontario Wind Power project, highlighting

what worked well and where we believed there were opportunities for improvement.

Enbridge recommendations to reduce duplication included streamlining forms for public consultation, setting standards broadly at the provincial level, streamlining federal and provincial environmental approvals and establishing a First Nations consultation protocol. Enbridge was pleased to see a number of these recommendations reflected in the report of the Agency Review Panel, and many Enbridge recommendations are also reflected in the proposed Green Energy Act.

As in the past, I want to stress again today that consultation is an important part of Enbridge's culture. We work closely with local municipalities and stakeholders on all of our energy projects including pipelines. Early in the wind power development process, we surveyed the community and found that 70% of the residents supported the wind project. As a result of many public consultations, we adjusted our plans based on feedback from the community. Support for the project remains strong today, particularly among the local landowners who benefit financially from hosting turbines on their property. Enbridge has also built strong relationships with our municipal partners and will continue to invest the time and resources required to foster these relationships. We will also continue to be responsive to local concerns.

While Enbridge fully supports a full and open public consultation process, many elements in the existing process are duplicated. Much of the delay associated with Enbridge's wind project involved a very small group of residents voicing the same arguments before different bodies, from the municipality to the county, from the Ministry of the Environment to the Ontario Municipal Board.

Enbridge believes that all stakeholders benefit, and that a better project results, when we work collaboratively with municipalities, local communities and other stakeholders. Consultation has been, and will continue to be, a priority, regardless of the shape or form of the eventual provisions in this act. However, we believe that streamlining this process is in the broader public interest.

I also want to note that our recommendations have been shaped somewhat by what we heard in the community. For example, when we started the process to build a project in Kincardine and Saugeen Shores, we clearly heard that municipalities were interested in clear direction and standards from the province about matters such as the location of turbines.

Our wind project experience informs our belief that the government's green energy plans will make renewable energy a more attractive investment in Ontario. In fact, the company's own future investment in renewable energy in Ontario would be considerably strengthened following the implementation of the important changes that the government proposes.

Enbridge believes that the proposed streamlined approval process and a dedicated office to facilitate projects, the price guarantee through a feed-in tariff for

renewables, and right-to-connection legislation pave the way for application of wind, fuel cell and other renewable energy projects across Ontario.

Trevor will now discuss how Enbridge can help accelerate Ontario's green energy future.

Mr. Trevor MacLean: Although Enbridge is still reviewing the Green Energy Act, and many specifics are still to be detailed, the company is pleased with the overall direction the government has outlined.

In particular, we are very pleased that the act opens an opportunity to discuss changes to our business undertakings. Changes to these undertakings would allow Enbridge to play a critical role in helping the government of Ontario meet and accelerate the move to a more sustainable energy future. Enbridge can draw on extensive experience in energy conservation and renewables, and has strong relationships with technology manufacturers, builders, developers and other industry stakeholders, who all share an interest in sustainable energy. As Debbie noted, Enbridge is well positioned to play a leadership role by further investing in renewable and clean energy supply. This is one way that we can help.

A second way would be to leverage our long-term experience in market transformation and the delivery of energy-efficiency programs. Between 1995 and 2007, Enbridge Gas Distribution's energy-efficiency programs reduced the use of natural gas by enough to serve more than 1.1 million homes for one year. In other words, we reduced carbon dioxide emissions equal to removing 1.5 million cars from the road for a year.

Our energy-efficiency expertise has already been leveraged by local electric distribution companies and is currently being used by the Ontario Power Authority to deliver electricity conservation in commercial new construction. We are also pleased with the progress made to date in our programs specifically for low-income residents, and we look forward to increasing our efforts in this area. Our main message in conservation is that we can increase our energy-efficiency presence, and we would like to work with all the stakeholders to do so.

A third area Enbridge could aid in is smaller-scale alternative and clean generation, such as our demonstration project at our head office, where we recently launched our fuel cell and turbo-expander project. This hybrid fuel cell converts unused pipeline energy into ultra-clean electricity. This reduces greenhouse gas emissions and, since it does not burn fuel, the plant supports cleaner and healthier air in cities, where air quality is a growing concern.

The first installation delivered enough electricity for up to 1,700 homes, and we could replicate this to the tune of a \$120-million to \$180-million clean-tech investment in Ontario over the next five to seven years. This would provide electricity to approximately 50,000 homes from a resource that is currently not recovered. The technology is well suited to urban areas, where large-scale energy projects are not easily sited, and we are well positioned to bring this technology to multiple locations.

Finally, Enbridge could lead or invest in integrated community-based energy systems that consider natural

gas, electricity and new alternative energy sources together, to increase efficiency, lower costs and, of course, reduce greenhouse gas emissions. As a specific example, the company could invest its own capital to widely deploy rooftop solar thermal panels to heat water in residential homes and businesses. By combining this newer technology with the large number of natural gas water heaters already installed, we could accelerate the cost benefits and environmental gains while ensuring reliable delivery of hot water on demand.

1710

These are just some examples of the many ways that Enbridge could help accelerate the government's green energy goals and help it deliver on its sustainable energy commitments within the aggressive timelines envisioned. Similar scenarios could package a number of different technologies together within a broader framework of integrated community energy and within a smart electric grid. Ultimately, changes to Enbridge's business undertakings would allow the company to build on successful electricity conservation programs, clean energy projects and renewable energy initiatives to advance government and societal objectives.

Ms. Debbie Boukydis: Enbridge remains committed to meeting Ontario's future energy needs and can help accelerate progress toward a sustainable green energy future. By leveraging strong balance sheets with efficient cost of capital, an extensive network of industry partners, economies of scale, energy conservation expertise and a tradition of market transformation, Enbridge can play a critical role and accelerate the government of Ontario's sustainable energy goals. In Enbridge, the government has a ready and willing partner that can, with the removal of existing restrictions, jump-start renewable energy use and energy conservation in Ontario within the next five years.

Thank you for your time, and we welcome your questions.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns is first.

Mr. Peter Tabuns: Debbie, Trevor, thank you very much—interesting information. To what extent do you see Enbridge's business over the next decade—perhaps 20 years—moving away from gas distribution to renewable energy generation?

Mr. Trevor MacLean: I think I can represent our CEO in Calgary on this, because we had a talk about this not too long ago.

Enbridge's position is that we're not a gas company and we're not an oil company. What we do is deliver energy reliably, efficiently and at the best possible price. So there is a natural evolution that we see in our business to adapt to changing macro-environment circumstances, and of course we look for new opportunities to bring new technology and work in new energy systems. Certainly, we are large proponents of community-based and integrated energy visions for the future.

Mr. Peter Tabuns: What percentage of your business do you expect will be in renewable energy in the next 10 to 20 years?

Mr. Trevor MacLean: That depends on exactly how the Green Energy Act is unrolled and what we're allowed to do with our business.

Mr. Peter Tabuns: If it is unrolled the way you would like it unrolled, what would you see it as?

Mr. Trevor MacLean: Based upon the last estimates I have seen in our company, certainly we could transfer 25% to 30% of our business to renewables over the next 10 years.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: Thank you very much for being here. I want to speak to you a little bit about the process of community consultation and have you expand a little bit on that process, and also on the process you undertake with partners in your sector, or those you need to interface with, in response to the advancement of local concerns. If local community members come forward with concerns with respect to noise, stray voltage—we have heard deputations with respect to those issues—I want to have an understanding of the process by which those issues are responded to.

Ms. Debbie Boukydis: We currently have monitoring agreements with our wind power project, and of course we have an office right in the Kincardine area, where we actually do welcome constituents to come in and talk to us about their concerns. We're very willing to address any of these concerns.

Much has already been settled through the environmental screening process, and a lot of the technical issues have been dealt with there, but we most certainly remain very open to speaking about any concerns with the wind power project. I would say the same thing about our entire business—the gas distribution business would be the very same.

Ms. Laurel C. Broten: Is there a necessity to engage with other players in the sector with respect to transmission and other issues that might arise?

Ms. Debbie Boukydis: Yes, absolutely.

The Chair (Mr. David Oraziotti): Mr. Yakabuski?

Mr. John Yakabuski: Thank you for joining us, Debbie and Trevor. A couple of things: You talked about the streamlining process and how you feel the GEA is going to be beneficial in that—I'll ask the questions, and then you can answer them; I've got a couple of them. Do you think that same streamlining should apply to other types of development as well and not just renewable energy projects?

The second one I have is—you are obviously able to work with the municipality in the establishment of your project—do you think it is right that the government removes the rights of municipalities with respect to what was normally their jurisdiction on renewable energy projects?

Of course, the same customers that you sell energy to in the form of natural gas are also electricity energy customers. With reports from London Economics International and others saying that electricity could rise 30% to 50% as a result of this act, do you have some concerns about the impact that that might have on consumers?

Ms. Debbie Boukydis: Why don't I start with the streamlining question you asked with respect to a municipal standard? As I said in the presentation, when we were working in Kincardine and Saugeen Shores, we very clearly heard the municipality state that they were looking for a provincial standard, that it was far too fragmented for each county to be making these decisions, and that's where we realized that that was one of the biggest impediments, where there was that disconnect between the province and the municipality.

I can draw on another example with our fuel cell—it's in the backyard of our Victoria Park office in Toronto—where we had a number of approvals. Everyone wanted the project to go forward, but it was caught up in some sort of zoning that actually had our parking lot as a nuclear facility, and of course, it's a gas distribution office. That's the disconnect, so I really do believe a municipal standard does make sense. I don't believe that this act is going to take away any of the consultation that would be required by any proponent going into any community.

The Chair (Mr. David Oraziotti): Thank you. That's time for your presentation. That's it.

Mr. John Yakabuski: It wasn't about the standards; it was about their right to make—

Ms. Debbie Boukydis: That's right, and I believe the process—

The Chair (Mr. David Oraziotti): Okay; that's time. Thank you very much for coming today.

LAW SOCIETY OF UPPER CANADA

The Chair (Mr. David Oraziotti): Our next presentation: the Law Society of Upper Canada.

Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, as you know, and five minutes for questions among members. Whoever will be speaking, just state your name for the purposes of Hansard, and you can begin your presentation.

Mr. Derry Millar: Thank you very much. My name is Derry Millar and I'm the treasurer, or head, of the Law Society of Upper Canada. On my right is Katherine Corrick, who is the director of policy and tribunals at the Law Society of Upper Canada, and on my left is Sheena Weir, who's the manager of government relations. We wish to thank the committee for the opportunity to be here today and to comment on Bill 150.

For 212 years, the Law Society of Upper Canada has regulated Ontario lawyers in the public interest. Since 2007, it has also regulated paralegals in Ontario. Currently, the law society regulates approximately 40,000 lawyers and 2,300 paralegals.

The law society has a broad public policy mandate with respect to matters touching on the practice of law by lawyers and the provision of legal services by paralegals.

The underlying objective of Bill 150, to protect the environment and promote renewable energy initiatives, is a laudable one, and the law society has no objection to it.

However, the law society is concerned that the public may believe that the broad powers of inspection contained in section 15 of the bill have the potential to violate solicitor-client privilege.

Section 15, as you know, provides that an inspector may, at any reasonable time, enter any place where the inspector has reasonable grounds to believe that there are documents relating to an offer to sell or lease a property that is subject to a mandatory energy audit under section 2 of the bill. While this power appears very sweeping, the law society's position is that this search power is subject to all the rules regarding the protection of solicitor-client privilege.

The paramount nature of solicitor-client privilege in Canadian law has been the subject of numerous cases in the Supreme Court of Canada. It has been clearly established in this jurisprudence that "solicitor-client privilege is a principle of fundamental justice ... that must be as close to absolute as possible to ensure public confidence."

In 2002, in the course of considering the constitutionality of the Criminal Code provisions that permitted the search of law offices, the Supreme Court of Canada held that clients have a reasonable expectation of privacy in all documents in possession of the client's lawyer.

1720

In the Law Society's view, it is clear that documents subject to solicitor-client privilege are not subject to being inspected, pursuant to section 15 of the bill. In discussions with government officials, it was indicated that, as with other Ontario statutes that contain powers of search and inspection, the common law protection of solicitor-client privilege would overrule the search powers in Bill 150, in keeping with the jurisprudence that I've referred to.

We are here today simply to underscore that it is critical to the public interest that the public understand that the sweeping inspection powers contained in section 15 of Bill 150 are limited by law, protecting solicitor-client privilege. We further recommend that the ministry undertake to educate its inspectors as to the limitations of their search powers when it comes to matters subject to solicitor-client privilege to recognize the special nature of the relationship between a solicitor and his or her client.

Thank you very much for your attention.

The Chair (Mr. David Oraziotti): Thank you for your presentation. Ms. Broten, questions?

Ms. Laurel C. Broten: Thank you for being here. I just wanted to clarify that you are not advancing any recommendations with amendment; rather, it just seems to me that what you are suggesting is that the bill, as drafted, meets hurdles established in the Constitution and otherwise, but you're focusing in on actual activity as a result of those provisions and ensuring that those activities remain consistent with solicitor-client privilege.

Mr. Derry Millar: That's correct.

Ms. Laurel C. Broten: In a nutshell. Okay. Thank you very much.

The Chair (Mr. David Oraziotti): Mr. Bailey?

Mr. Robert Bailey: Thank you for your presentation today. Was the opinion of the Law Society of Upper Canada ever solicited during the drafting of this bill so that something like this could be prevented?

Mr. Derry Millar: We were not consulted with respect to this bill.

Mr. John Yakabuski: That's okay; nobody else was either.

Mr. Robert Bailey: The second question was: Would this be open, the way you've framed it, to a charter challenge because of the way the law has been drafted if inspectors did go into private homes with this draconian legislation?

Mr. Derry Millar: The search powers in this legislation, although they're broad, are in many pieces of legislation over many years that have been passed by many governments. They're the same broad powers you would find in the Environmental Protection Act. I would have thought not, because these powers have been around for a long time.

The issue that we were most concerned about, and the issue that people appeared to be concerned about in the press, was the solicitor-client privilege issue. The solicitor-client privilege issue is a result of jurisprudence and the Supreme Court of Canada and, as Ms. Broten has said, really is protected by the jurisprudence. What we really would like is that the ministry ensure that its inspectors, whoever they may be, are cognizant of that issue.

The Chair (Mr. David Oraziotti): Mr. Tabuns?

Mr. Peter Tabuns: Thank you for making the presentation. I have to say, you're very clear, and since you don't require an amendment and Ms. Broten is aware of the need to educate people, I don't need to ask you any questions.

Mr. Derry Millar: Thank you very much.

The Chair (Mr. David Oraziotti): Thank you very much for coming this afternoon. We appreciate it.

ROBERT McMURTRY

The Chair (Mr. David Oraziotti): Our next presentation is Dr. Robert McMurtry.

Good afternoon. Welcome to the Standing Committee on General Government. You have, as you know, 10 minutes for your presentation and five minutes for questions among committee members. You can start by stating your name, and you can proceed when you like, please.

Dr. Robert McMurtry: My name is Dr. Robert McMurtry, and I'm pleased to be accompanied today by three people: Carmen Krogh, who is a pharmacist and editor for 15 years of CPS, the bible for drugs; as well, I have Lorrie Gillis, to my right, who led the research effort we'll hear about; and the scrutineer of the research is Nick Kouwen, who is professor emeritus at the University of Waterloo and an engineer.

I will launch right into it. There are four parts to my presentation, which you can see before you.

Regulations in Canada: I'm sorry to say that at a national level, in regard to industrial turbines or similar devices, they don't exist. To add to my concern in regard to this regulatory uncertainty is the fact that the provincial Ministry of the Environment has regulations that are in some ways flawed. One of these flaws is a failure to measure for low-frequency noise. All the regulations are expressed in something called A-weighted decibels or dB(A). In order to measure for low-frequency noise, it is necessary to screen with C-weighted decibels, or so-called dB(C)s. I'll have a lot more to say about that in due course. In short, I don't believe that you can have authoritative guidelines, and this is carried out. Certainly authoritative guidelines do not exist at this point.

While there are many problems with industrial wind turbines, I will concentrate on low-frequency noise. A few facts about low-frequency noise: Humans' auditory range is from 20 to 200,000 Hz; a low-frequency noise is about 20 to 200 Hz. It's an area of growing example. When I went on that website six months ago, there were 650,000 hits; two days ago there were 15,400,000 with the same Google keywords, so it's a mounting issue. But there is quite a variance of opinion, it seems, with its significance. The wind industry, and particularly IPC Energy, when I contacted them about their intention to measure low-frequency noise, said that it wasn't necessary. Indeed, the wind industry at large agrees, as does the Ministry of the Environment. As you will see, this is one side of the issue.

What dB(A) does measure for and how it does matter is the characteristic swoosh, swoosh, swoosh the turbine blades make at night and when the wind's blowing, which is in the mid-frequency range. The World Health Organization, writing a paper about community noise—this is not about wind turbines; it's about community noise broadly writ—stated, "Since A-weighting underestimates the sound pressure level of noise with low-frequency components, a better assessment of health effects would be to use C-weighting."

"It should be noted that a large proportion of low-frequency components in a noise may increase considerably the adverse effects on health."

"Thirdly, the evidence on low-frequency noise is sufficiently strong to warrant immediate concern."

It is important. The answer is clear: It is very important as a source of community noise. However, there's a crucial difference of opinion. The author of the foregoing paper, H.G. Leventhall of the United Kingdom, who quoted the WHO—which I thought was ironic and thus I included it—denies there's any low-frequency noise. He is a high-profile spokesperson on behalf of the industry.

Others, however, disagree. For example, Styles et al., who are a group from Keele University in Scotland, did a very detailed and elegant study a few years ago and they observed "clear evidence that wind turbines generate low-frequency sound (infrasound) and acoustic signals which can be detected at considerable distances"—that is to say, many kilometres—"from wind farms on infrasound detectors and low-frequency microphones."

Secondly, Kamperman and James of Wisconsin and Michigan, respectively, commented as follows: "Some residents living as far as three kilometres ... from a wind farm complain of sleep disturbance from the noise. Many residents living one-tenth this distance ... from a wind farm are experiencing major sleep disruption and other serious medical problems from nighttime wind turbine noise." They further comment that "the single A-weighted (dB(A)) noise descriptor used in most jurisdictions for siting turbines is not adequate."

So that brings us to adverse health events. These are very important developments that I want to bring you up to date with. Some of these are more historical. There have been many reports of adverse health events. Indeed, Kamperman said that in the 50 years he's been an acoustician, he's been hearing the problem for some decades.

It must be clear at the outset that there is no systematic epidemiological study that could yield authoritative guidelines for siting wind turbines. It doesn't exist. Now, the flip side of that is also claimed, and that is that there is no epidemiological study, no authoritative study that has shown there are adverse health effects. The point is that there are competing claims.

Dr. Amanda Harry reported on 39 cases. This is a case series. It's not anecdote; there was systematic collection of information. For these people, whose health and quality of life were compromised, she concluded that people "living near wind turbines are genuinely suffering."

Dr. David Manley, a chartered physicist, acoustician and engineer who worked with Dr. Harry, stated: "Much work has been done by me near wind farms to evaluate the acoustic effects. It is found that people living within five miles of a wind farm cluster can be affected and if they are sensitive to low frequencies, they may be disturbed."

"It has been found that an extensive seismic signal passes through the earth and may ... at nighttime affect people's sleep. It is admitted by fellow acousticians that much more research in this subject is needed and that none has been done since 1996.... At many inquiries, wind farm promoters will not accept there is an acoustic problem."

1730

Todd et al., a neurosciences research team, published a paper in August 2008 that demonstrated that the human ear is more sensitive to seismic vibration than to hearing. In other words, it's possible to perceive energy that isn't heard. Seismic vibrations can and do affect people.

Another group is Nina Pierpont—38 cases from 10 families. She, too, is about to publish a book in 2009.

The National Academy of Medicine in France has taken note of adverse health events and recommended that an epidemiological study be done and that the setback be 1.5 kilometres until that occurs. They recently ruled that 25 decibels should be the limit for houses near wind turbines; currently, our Ministry of the Environment says that can be 40 and they have circumstances under which that can go to 51. Please recall that for every

three-decibel increase, you've got a doubling of the intensity of noise. So there is certainly a divide here.

The industry, of course, cites more than 20 years' experience, with at least 68,000 wind turbines. What isn't heard so often is that there's an enormous resistance within Europe. The European Platform Against Wind-farms begs to differ. They currently have 319 organizations from 18 nations opposing wind farms. To quote from their web page—and I won't do the full quote because it's pretty strong language. I'll quote the third bullet: "The only thing wind turbines do is cause considerable harm to people, the economy, national budgets and the environment."

Closer to home, these sentiments are clearly rising, certainly as it relates to harm to people, as this committee has probably heard from Wind Concerns Ontario.

Let me be clear, however, as to why I'm here. I'm here because of people who are suffering as a consequence of being near wind turbines. Adverse health effects are occurring as we speak. The two people on my right are victims, and if those who would deny that there are problems wish to speak to them, I recommend you do. In addition, in the audience there's a large number of people who have been victimized by wind turbines. I don't know if you wish to stand up at this moment, but you should be seen, because there's a denial that such things exist.

These victims, led by Carmen Krogh, whom I've introduced, and Lorrie Gillis, have organized a survey of people living near wind installations. The methodology and detailed results are attached as part of the submission. Seventy-six people responded to the questionnaire: 23 denied any problem; 53 indicated that they had experienced at least one symptom and complaint, and on average had five complaints.

The findings are remarkably similar to the work quoted above and as well to that of Dr. Michael Nissenbaum in Maine, with whom I've been in contact. He has a very interesting situation of 20 homes being within 1,200 to 3,400 feet from wind turbines, and then there's a gap and people live outside that. All of the first 15 people he interviewed had complaints and issues, especially visual, hearing, headaches, sleep disturbance and the like. That represents 42%, and his initial findings are that a further 20 are also in trouble, but that's something he's going to be doing in the next few weeks. That's the first time we've had a denominator—how many out of—and that's why Nissenbaum's findings are so important.

In our own group, one person had to be admitted to hospital with an acute hypertensive episode. If you turn to tab 4 and look at person number three, you'll see that they report a high blood pressure of 217 over 124.

The Chair (Mr. David Orazietti): Mr. McMurtry, thank you for your presentation. That's time, but I'll give you 30 seconds if you want to wrap up.

Dr. Robert McMurtry: I would like to wrap up. Thank you very much for that opportunity.

My proposal is this: Authoritative guidelines must be developed, and the only way to do that is a well-designed

epidemiological study conducted by arm's-length investigators, mutually agreeable to all sides. That must be done—as well as check for low-frequency noise. In the meantime, let us listen to and help the victims. Anything less would be an abandonment of responsibility by government.

Applause.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

I appreciate folks holding their applause until the end of the presentation. That's helpful, so that all of the information can be recorded for Hansard.

We'll start with the Conservative caucus questions. Mr. Yakabuski.

Mr. John Yakabuski: I appreciate you coming today, Dr. McMurtry. Interestingly enough, your recommendation—I asked a very similar question the other day. In your statement today, you say there's no epidemiological study that says that wind turbines give an adverse effect, and there are no epidemiological studies that say that they're totally safe, without any effects. If, as I said, a mutually acceptable, accredited third-party group, whatever, was to conduct this study, whatever the findings were, would you accept them as being—

Dr. Robert McMurtry: Absolutely. We would abide by them. When you have competing claims, there is but one option, and that is to find the truth.

Mr. John Yakabuski: So if that's done, you'll abide by them?

Dr. Robert McMurtry: I will.

Mr. John Yakabuski: All you're asking is that the government do the study, to put this issue to rest once and for all.

Dr. Robert McMurtry: Yes.

Mr. John Yakabuski: Thank you very much for coming. I appreciate that.

The Chair (Mr. David Oraziotti): Mr. Tabuns, questions?

Mr. Peter Tabuns: Thank you, Dr. McMurtry, for coming today. Just to be clear, this act covers a range of renewable energy sources—biogas, biomass, solar etc. I'm assuming that you have no concern about those other forms of renewable energy, but you were focused on one form—

Dr. Robert McMurtry: I'm talking solely about industrial wind turbines.

Mr. Peter Tabuns: Okay. Thank you.

The Chair (Mr. David Oraziotti): Thank you. Ms. Broten?

Ms. Laurel C. Broten: Thank you very much, Dr. McMurtry. I just want to turn to your documents and get some clarification. The survey is the document at tab 2, which is entitled "Wind Energy Concerns," and then it goes on to ask people to respond. Is that right?

Dr. Robert McMurtry: Right.

Ms. Laurel C. Broten: And the number of surveys that were distributed—I'm searching to try to find out where that is in here.

Dr. Robert McMurtry: I didn't do it, but what I can tell you is, what was sent out was the flyers that are shown there. People then had the opportunity to ask for surveys, and then surveys were mailed out. That was the process. Any further questions you have, I'd ask you to ask our committee leader.

Ms. Laurel C. Broten: Okay. Well, maybe they can let me know how many flyers were distributed, that type of information, because I have a few other questions.

I want to ask you: Which jurisdictions utilize C-weighted criteria in their noise bylaws and guidelines in establishing their setbacks?

Dr. Robert McMurtry: I don't know.

Ms. Laurel C. Broten: Do you know of any?

Dr. Robert McMurtry: No. I only know of the authorities that have told you that, who are acousticians.

Ms. Laurel C. Broten: You've given us a lot of information today. I did have a chance to anticipate what you might be talking about, because I had a chance to read the deputation that I think you made in Prince Edward county, which is where you live.

Dr. Robert McMurtry: Correct.

Ms. Laurel C. Broten: And that was in response to a SkyPower project and the municipality looking at that issue?

Dr. Robert McMurtry: Yes, SkyPower, amongst others.

Ms. Laurel C. Broten: Okay. If the province established provincial requirements and setbacks for wind turbines that were designed to ensure human health, safety and the environment and that were based on scientific and technical advice, would that meet your concerns?

Dr. Robert McMurtry: My concerns—I want to go back to an earlier point you made on other jurisdictions doing it. The World Health Organization has made clear the damage that low-frequency noise can do, and I don't think that we can fly in the face of that. A lot of people are complaining about the low-frequency noise and vibration. So any report that is done has to be mutually satisfying to all the parties, and that is that it has to be an authoritative epidemiological study.

I acknowledge the absence of appropriate guidelines internationally, but that doesn't mean that we should repeat that mistake and ignore all the evidence on health and low-frequency noise.

Ms. Laurel C. Broten: Thank you.

The Chair (Mr. David Oraziotti): On that point, that's time. We appreciate your coming in today for your presentation.

Dr. Robert McMurtry: Thank you.

ASSOCIATION OF MAJOR POWER CONSUMERS IN ONTARIO

The Chair (Mr. David Oraziotti): Our next presentation is the Association of Major Power Consumers in Ontario.

Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members of the committee. State your name for the purposes of Hansard, our recording process here, and we can get started.

Mr. Adam White: Thank you very much. My name is Adam White. I'm here to speak to the interests of the Association of Major Power Consumers in Ontario on Bill 150, the Green Energy Act and Green Economy Act, 2009. Thank you very much for inviting me to speak to you this afternoon. I think my presentation is going to be brief.

1740

AMPCO members are among the largest investors and employers in Ontario. Across Ontario in cities and towns like Sudbury, Sault Ste. Marie, Thunder Bay, Red Lake, Timmins, Sarnia, Windsor, Hamilton, Oakville, Oshawa, Brampton and Wingham, AMPCO members play a major role in the communities in which they operate. AMPCO members together spend more than \$1 billion on the electricity commodity and half as much again on transmission and distribution rates, ancillary services, uplift surcharges, fees, levies and taxes.

The policy choices of the Ontario government and the decisions of its regulatory agencies can mean the difference between failure and success for industry in Ontario. Bill 150, the Green Energy and Green Economy Act, 2009, marks a significant milestone in the ongoing evolution of electricity policy in Ontario. The act raises the bar on renewable energy by removing impediments, reducing risks and improving prospects for investments in renewable energy. The act also aims to promote conservation. For customers, conservation is the first priority.

AMPCO supports the government's emphasis on conservation and demand management. Industry offers abundant, untapped potential for cost-effective conservation and demand management. Industrial customers offer the quickest, cheapest, most cost-effective opportunities to reduce demand during peak times, which benefits all customers through lower prices and reduced strain on the grid. AMPCO strongly supports the introduction of programs that are designed to unlock the substantial conservation and demand management potential that exists in industry.

But as significant as the many changes that we see proposed in the Green Energy Act, we have been interested to see what the bill does not propose to change. In particular, AMPCO recognizes and applauds the government's decision to leave in place the fundamental market reforms of the last decade. Market forces remain the least costly and most efficient means of promoting efficiency—promoting efficiency in the generation, transmission, distribution, sale and demand management of electricity.

AMPCO members, like all customers, are always concerned about costs and the effect of increasing costs on Ontario's industrial competitiveness. With this legislation, Ontario has taken a bold step towards a greener electricity future.

The next step, not yet taken, is to ensure that manufacturing also has a competitive future in this province. The key, in our view, to efficient demand management is efficient prices and efficient rates. The benefits of a smart grid and smart meters will not be realized if we don't have smart rates and smart bills to go along with them. No matter how much investment is made in so-called smart technologies, one cannot expect consumers to make smart decisions if they are not exposed to the true cost of the power they consume, through efficient prices and efficient rates.

Changing the way the global adjustment is allocated—the provincial benefit is what most customers see on their bill—is probably the most pressing reform, but we're also looking for reforms in the way the transmission and distribution rates are set. We think, together, if we can get those parts of the bill in alignment and supporting our shared policy priorities, the bill itself offers the most efficient and cost-effective means of promoting efficiency and demand management.

In closing, I want to emphasize AMPCO's interest in supporting programs for industrial conservation and demand management. We are committed to working with the government and its agencies to develop cost-effective programs for industry, and we'll do as much as we can to help promote and support the implementation of those programs when they are developed.

I also want to stress how much value AMPCO places on the government's decision to continue to support the development of Ontario's electricity market. While it's not perfect, by any means, the IESO market price—the hourly Ontario energy price—provides an effective indicator of the marginal cost of meeting demand in real time. It's not perfect, but it's vastly superior to the alternative. Now we need to focus on the rest of the bill, so that every other charge, rate, levy, fee and tax works to support our shared policy priorities.

Those are my comments. I appreciate your time. I look forward to your questions.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns, you're up first.

Mr. Peter Tabuns: Thanks very much for the presentation, and thanks for coming down. In concrete terms, when you talk about reflecting the real cost of power, you're well aware of the government of Ontario's interest in restoring the nuclear fleet so that it provides 50% of the power in this province for the next few decades, and you're aware of the costs that are being quoted for new nuclear generation in the American experience. Does AMPCO have concern about that investment in nuclear, as opposed to an investment in conservation and efficiency?

Mr. Adam White: I'm not an expert on nuclear power. Let me first say that. It is our concern about costs in general, and there isn't a cheap new electricity supply option for Ontario. Ontario's cheap supply options are its existing stations, and those are aging and in need of replacement. This is why we place so much emphasis on conservation, because the cheapest power, as Minister

Duncan has said and as Minister Smitherman has said—the cheapest and best kilowatt hour is the one you don't use. But over a number of years I think we've come to terms with the reality that energy costs are increasing, and I think that the best way to manage exposure to those costs is to find ways to reduce consumption.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Orazietti): Mrs. Mitchell.

Mrs. Carol Mitchell: Thank you very much for your presentation. I have just a little bit of a twist of a question: One of the major consumers of energy in my riding is the salt mine, and they have been looking at cogeneration options for a very long time. They've not had the opportunity. You mentioned Wingham. They also would like to see further expansion of cogeneration once some of the other issues are dealt with. Do you see the Green Energy Act as being an enabler to move forward our large consumers—moving in cogeneration?

Mr. Adam White: I think the act and the government's statements around the act make clear that it is intended to remove barriers and to promote new projects like that. Cogeneration and combined heat and power isn't a panacea for industry. For one thing, these are long-lived assets; they require a significant investment. It's not a core competency of most companies in Ontario. If you're a steelmaker or a car maker or a salt miner, that's your competency, and running and operating a generation facility is not necessarily.

The other challenges that come with combined heat and power in cogen is that it requires a fairly stable and long-term commitment to taking the heat output as well as the power output. The power output you could put on the grid and you can sell it to others if you don't need it, but the heat output and the efficiency of those units only make sense if you have somewhere to put that heat.

Where these kinds of facilities make the most sense is where you have a steady stream of an alternative fuel, a by-product fuel. There are lots of applications for that, and I think the Green Energy Act will help.

Mrs. Carol Mitchell: Of the people within your association, could you give me a percentage of those who would qualify in the last part of your comments that would have the ability—

The Chair (Mr. David Orazietti): A brief response, if possible; that's about time.

Mr. Adam White: I'm not an expert. I had the opportunity to work with TransAlta in the development of that large cogen plant in Sarnia. The industry in Sarnia provided a great place for that. I think there are good opportunities in Hamilton with the steel industry there. I'm sure there are others. I know that the forest sector has already taken advantage of some of those opportunities, but I'm not an expert.

The Chair (Mr. David Orazietti): Thank you. That's time. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Adam, for joining us this afternoon. Last time we were here in Toronto, the Automobile Parts Manufacturers' Association visited us. They told us that if Ontario's electricity

pricing regime is not competitive—I'll use their words—"We are done." They'd be, certainly, a major power consumer in the province of Ontario. That was one of the things they were concerned about: the price of electricity under this act.

The other thing that they mentioned was, if the government had invested—and you talked about energy efficiency and conservation—as much as they're prepared to invest in these projects, in making our major power consumers more energy-efficient and therefore reducing their energy costs and consequently the amount of greenhouse gases that are emitted in this province, we would have accomplished more—the price. Without some kind of an agreement, an industrial power policy—because, in Germany, we're talking twice the price of power and in Denmark, we're talking three times the price of power for consumers. Unless there's a special rate for major power consumers, what happens to your members under the price regime under this bill, and what about the investment in making you people more energy-efficient?

Mr. Adam White: AMPCO doesn't and isn't advocating for some kind of subsidized rate. We are aware of regimes in other jurisdictions that have made decisions like Ontario has to promote renewable power and conservation and to allocate those costs so that industrials continue to pay a rate which is competitive.

In my remarks, what I'm hoping to get across, and we've been very consistent on this point now for a year and a half at least, is that we need to look at all of the line items in the bill. We need to look at the elements of the bill.

The thing that makes industrial consumers special isn't that we're large—we are—but it's that we use power differently than residential or commercial consumers. We don't use it for heating, ventilating, air conditioning and lighting; we use it in our industrial processes. It's mostly motor-driven load, and we use the same amount of power all the time. It's that flat load profile that ought to give us an advantage in terms of pricing.

With the current regime, with the way the global adjustment is allocated and with the way that transmission distribution rates are set by the Ontario Energy Board, industry doesn't see that advantage. In other words, industry is not rewarded for peak shifting. My view, and AMPCO's view, is that if we can get the other elements of the bill lined up the way that the power price is lined up—higher during peak times, lower during off-peak times—industry is going to see an immediate advantage just because of the inherent way that industry uses power. There's a significant opportunity there to benefit industry without a subsidy.

The Chair (Mr. David Orazietti): Okay. I'm going to have to stop you there. That's time. Thank you very much for coming in today and thank you for your presentation.

Mr. Adam White: You're welcome. Thank you.

The Chair (Mr. David Orazietti): The committee's going to be in recess. Before we do that, I'd ask every-

body to exit the room. If you have anything that you want to bring with you, please do that, because the room will be locked in a few minutes.

The committee is recessed until 7 o'clock.

The committee recessed from 1752 to 1900.

The Chair (Mr. David Oraziotti): Good evening, and welcome to the Standing Committee on General Government.

Just for the members' information, information has been provided from research with respect to the interim summary and recommendations, so members have that package in front of them now. That's information from hearings on the 6th and 8th and from committee travel on the 14th, 15th and 16th for the committee. The interim recommendations are there for all members.

AGRI-ENERGY PRODUCERS ASSOCIATION OF ONTARIO

The Chair (Mr. David Oraziotti): We'll start with the first presentation for this evening, the Agri-Energy Producers Association of Ontario, if you'd like to come forward.

Good evening, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions among members of the committee. If you could just state your name for the purposes of our recording Hansard, then you can begin your presentation.

Ms. Nicole Foss: My name is Nicole Foss. I'm from the Agri-Energy Producers Association of Ontario. We represent small farm-scale biogas systems, primarily. We would like to comment on the Green Energy Act as it applies to biogas in particular.

We notice that you have very differentiated tariff bands under the regulations that are proposed for solar, for instance, all the way down to 10 kilowatts, but you have very few tariff bands for other technologies, notably biogas. You have above and below five megawatts, but that completely disregards the reality of biogas in Ontario. Nobody, not even the city of Toronto, would ever build a five-megawatt biogas plant. In other words, everything would be smaller than that.

You really need a much more differentiated set of tariffs, much more like they have in Germany and other parts of Europe, where these systems are particularly successful. You need to look at tariff bands at 100 kilowatts and less, or 250 kilowatts and less—several different tariff bands for much, much smaller systems—and they need much higher tariffs. They would never, ever be able to compete at the tariff that you're proposing; some of the larger systems would, but farm-based biogas would never be able to compete under those circumstances.

If you don't have farm-based biogas, you don't have the digestion of manure, which is where most of the environmental benefits of anaerobic digestion actually lie. If you make the farmers compete on the same tariff basis with the larger systems, you would have a pro-

liferation of larger, centralized systems, because they would be very profitable. A lot of off-farm waste would go into those systems, but there would be very little off-farm waste to go into the farming system, and manure on its own does not make a viable project, financially.

You really need to have a tariff that makes these projects viable and that allows them to compete in the off-farm waste market as well as the electricity market in order to capture the environmental benefits of digestion of manure—and they are considerable.

Water pollution will be far less if you take the pathogens out of the manure rather than spreading raw manure on the land. Raw manure can also burn plant leaves. It can clog up the pores and reduce growth.

There are many disadvantages to using raw manure that are addressed by using digestate. You have a much, much better fertilizer if you use digestate, with no pathogens and reduced weed seeds. You don't need as much in the way of fertilizer and herbicides. The environmental benefits are considerable.

You also have a lot of employment. Thirty-six people per gigawatt hour per year could potentially be employed in agricultural biogas. That's much higher than for centralized systems. So you would see a significant driver for rural development as well if you actually had income streams going into these farms.

But we would need a tariff for farm-based biogas of probably at least 21 cents a kilowatt hour, which is significantly higher than the 14.7 cents that you're proposing at the moment.

We would also like to point out, with regard to grandfathering of RESOP contracts into the FIT program, that the people who have been taking this industry forward have put an enormous amount of their own time and effort, completely uncompensated, into this industry getting over the hurdles in terms of environmental regulation, grid connections and many other things. These people have worked tirelessly to support this industry, and now, if we manage to get a higher tariff for biogas, those people will be left out of the higher tariff—those four people. It would not cost a great deal of money to promote four biogas systems into a FIT rate, and I appreciate that if you did that for other RESOP contracts, the cost would be significantly higher. In the case of biogas, there are only four systems that have RESOP contracts that were operating, and they would be the only four that would get very significantly lower rates than everybody else in the system, and that really does seem extremely unfair.

The other thing that we've been looking at is grid connection policy and how we might twin load and generation. Biogas is particularly good for this because you can produce biogas where you actually have load. One of the problems with grid connections is simply that for a lot of renewable energy they're very distant from load so you have to carry energy over a long distance, and the losses tend to be very high when you drive power backwards along a power system at low voltage and high current, where the losses are proportional to the square of

the current. So you can end up with significant problems if you have to transport renewable energy. If you can produce it near where the load is and send price signals through perhaps a use-of-system charge for the transmission system, then you would be able to address the problems of renewable energy to a large extent without having to upgrade an enormous amount of the transmission system and distribution systems right away. You would plan to do that over time, but you could bring renewable energy online much more quickly.

We really need a “must take” policy for renewable energy, and we need shallow entry, which means that the distribution and transmission upgrades would be performed and paid for initially by the transmission companies and distribution companies, but they would then be able to put that into the rate base so they would recover that cost, probably mostly from load. But if we introduced use-of-system charges, we would also be able to allow them to recover some of that from generation after it had been built, and it would be typical to recover perhaps 25% of the cost from generation. If you had a locational pricing system, you could send price signals both ways. You could encourage generation in areas where you were near load and you wanted extra generation, you could use the same system to discourage generation in extremely remote places very distant from load, and you could have capacity charges and energy charge components, as I’ve explained in the submission that I’ve handed out.

So there’s a great deal that can be done with the system that we already have, but we do need to look at connection policies, we need to look at transparency and we need to get away from the case-by-case negotiations that these project proponents have with the transmission and distribution companies, because it allows an imbalance of power to be exploited so that utility companies can block projects. We’ve literally had this exact same kind of project get connection assessment anywhere between \$30,000 and \$1 million, simply depending on the infrastructure in place where they wanted to connect. We really need people to know in advance or at least have some sense of what they’re going to be on the hook for for connection costs, and we need the time scales to be shorter. So we need standard connection procedures that are published and a reasonable idea of what connection costs will be; otherwise, these systems become extremely difficult to finance. And if you can’t get access to financing because there’s too great an uncertainty, things simply don’t get built.

There’s a great deal we can do with the infrastructure that we have. We can have a planned build-out of transmission and distribution infrastructure as well, first serving the resources that are of most use to the system and therefore of most public benefit, and those would be the ones that were reasonably near to larger load centres.

The Chair (Mr. David Orazietti): I appreciate the presentation. Ms. Mitchell, questions?

Mrs. Carol Mitchell: Thanks very much for your presentation. Just so that we clearly understand: You’re

proposing that we move towards a standard for connection charges based upon the seven zones, as described by the independent energy—

Ms. Nicole Foss: Yes. There are seven zones that they’ve defined on the basis of transmission constraints. There are significant pinch points between these zones, and if you had a locational pricing system that specifically encouraged a balance between generation and load within one of those zones, you would alleviate those transmission constraints and thereby alleviate the need to upgrade the transmission system. So a lot of the costs of bringing renewable energy online could be significantly alleviated by doing this. You might end up with people in very remote locations who would complain because they wouldn’t be able to develop an enormous wind farm where nobody lives, but it’s simply a reality that we have limited resources to expand the transmission system and upgrade distribution, and we really need to concentrate those resources in the areas where they will do the most good for the system.

1910

We could exempt First Nations projects, for instance, from user system charges because there are good reasons they are where they are, and in order to encourage development, we could build proper transmission lines to one or two remote locations, but at least we wouldn’t be building transmission lines to everywhere.

The amount of transmission and distribution capacity that would have to be added to really bring online Ontario’s renewable potential would cost tens, if not hundreds, of billions of dollars and would take decades. We really need to move forward from where we are now, which means we have to make best use of the system we have. There’s a lot we could do with better generation management as well. If you could bring projects on in advance of reinforcements but on the understanding that if the system could not cope with their power transfer at that time, they would be constrained off—

The Chair (Mr. David Orazietti): Thank you. I’m going to have to stop you there. Mr. Yakabuski, questions.

Mr. John Yakabuski: Thank you, Nicole, for your presentation. We’ve seen and heard evidence of this in our past hearings. It’s pretty obvious that the government had a bias with regard to the FIT program. It was very much biased towards the wind generators. Up to 19¢ a kilowatt hour for wind—

Ms. Nicole Foss: And solar is very well developed—the tariff structure—too.

Mr. John Yakabuski: We understand that, but it’s going to be so small, the amount. There’s no cost for wind; it’s zero. Yet in the biogas, you’ve got the cost of gathering, processing and doing all kinds of these things with the fuel that we would use. But we gain two other benefits: We deal with the product that can itself be a problem, and we deal with the methane gas that is a problem, and we also help a very key industry, meaning our agriculture people.

Ms. Nicole Foss: Very much so.

Mr. John Yakabuski: Was there proper consultation with the agricultural community?

Ms. Nicole Foss: No.

Mr. John Yakabuski: Because I've got a biogas digester in my riding. It's 50 kilowatts; they're talking five megawatts. Where was their thinking?

Ms. Nicole Foss: It obviously was nowhere near the biogas industry in Ontario. If you look at the biogas data that came out of the Navigant study that the OPA has been discussing, they're looking at only two projects, completely different projects. They're not even comparable to each other. The smaller one uses a covered lagoon technology that you would never even use in Ontario because you can't heat them. It is just completely inapplicable to the climate we have here. So even they are not comparing apples with apples, even within their one small study.

The Chair (Mr. David Orazietti): Thank you. I'm going to have to—

Mr. John Yakabuski: It just shows their bias, eh?

Ms. Nicole Foss: Yes.

The Chair (Mr. David Orazietti): Mr. Tabuns, questions?

Mr. Peter Tabuns: Nicole, thank you for the presentation and for being here this evening. If, in fact, the feed-in tariff was set at a rate that was adequate to draw people in, what sort of average annual income would be generated for an average farm in Ontario?

Ms. Nicole Foss: I would have to actually run the numbers. I don't have them in my head, but it's approximately 8,000 hours a year of operation. The revenue streams will vary over time, because at the moment sometimes there are tipping fees. It depends on the contract. So there are revenues potentially for more than just the tariffs, but I would actually have to run the numbers through my model to know that for sure.

Mr. Peter Tabuns: Okay. And I assume that you've done some survey as to the percentage of farms that would actually be interested in this at a tariff that would work?

Ms. Nicole Foss: There are many farms that would be able to put this in. Mostly they're not interested at the moment because of all the enormous hurdles that the early movers have faced. It's been years and years that these people have taken just trying to get on to the grid and trying to fight with the Ministry of the Environment over the use of off-farm waste. There have been so many hurdles that most farmers are just sitting back to wait and see if anything will come out of this and if there's a tariff that would make it economically viable as well. But the potential is enormous: Hundreds, if not thousands, of farms would be able to build systems like this.

Mr. Peter Tabuns: Thank you very much.

The Chair (Mr. David Orazietti): Thank you for your presentation.

CITY OF MISSISSAUGA

The Chair (Mr. David Orazietti): Our next presentation is the city of Mississauga.

Good evening. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. You just need to state your name for the purposes of our recording Hansard, and you can begin.

Ms. Mary Ellen Bench: My name is Mary Ellen Bench. I'm city solicitor for the city of Mississauga.

On behalf of the city of Mississauga, I wanted to present to you—I think it's being distributed—a copy of the report that was adopted by the city of Mississauga, which contains a number of recommendations on different key areas of the legislation.

The structure of Bill 150 sees many of the operational details yet to be introduced in the form of regulations, and therefore the comments made by the city of Mississauga are not complete. The impact cannot be fully assessed until such time as the regulations come forward, and in that respect, it is key that municipalities be consulted in the development of these regulations in respect of all aspects of the bill.

My comments will address the three main areas of the legislation but will focus mainly on the new approval process.

Mississauga supports the concept of facilitating the development of renewable energy projects and the creation of efficiencies in the permitting process. Having said this, Mississauga shares the concerns expressed by others, including AMO and OPPI, about the reduced role that the municipal planning process will have in approving these projects. While diagrams presented by provincial staff—the diagram I'm referring to is part of the report—indicate that municipalities will have a role as a commenting agency or a consulting agency, and it's difficult to tell which, early on in the stage, no details have been provided as to exactly what that means.

The approval of renewable energy projects must take into account how they fit into the surrounding municipality and their land uses. As the previous speaker noted, there's no point in having these facilities in areas where there are transmission constraints. They have to be in areas close to the population, and that's where large urban centres like Mississauga have a concern.

Currently, municipalities are able to use the tools provided in the Planning Act, such as zoning and site plan control, to address any such adverse effects. Through the Planning Act and related legislation, municipalities are also charged with assessing development applications to ensure that proper protections are in place regarding health and safety, the natural environment and sensitive heritage features, to name a few. These are all valid municipal concerns.

If the province is going to pursue a consolidated approval system at the provincial level for renewable energy projects, one suggestion is that the bona fide requirements of municipalities be addressed through the implementation of what we have called a municipal services permit, which is something that could operate similar to the development permit process that's allowed under the Planning Act. That system, as you will see

from appendix 2, is basically a checklist system. It hasn't been used a whole lot in the province of Ontario. It's widely used in other provinces, most notably in British Columbia and in a number of American jurisdictions as well.

Similar to the development permit process, it is recommended that this system allow applicants a way to provide the necessary details to municipalities to address the requirements that municipalities have. In Bill 51, the province provided municipalities, when looking at complete applications, with the ability to determine what those requirements are. In this case, the other option—if there is concern about municipalities operating in a way that's been referred to as NIMBYism—would be to provide in a regulation what could go on that checklist, and that way you're restricting what municipalities could request information on to a very objective list that's approved by the province.

For purposes of this presentation, I would assume that most of the information that would be required by municipalities, such as the identification of wetlands and watercourses, significant natural features, heritage features, site design, and servicing requirements, would also be things that the province would want to know about when issuing approval.

1920

Accordingly, introducing a municipal permit system would allow the municipalities to have the information they need without resulting in any unnecessary delay and without being unduly onerous to meet. A municipal services permit would also provide an ability for municipalities to ensure that road occupancy permits are obtained and related letters of credit are in place at the municipal level to account for damage or other impacts on municipal infrastructure that result from the construction or operation of the renewable energy project. These must be accounted for and are bona fide municipal concerns. Again, it is our recommendation that the best way to do that would be to include something like a municipal permit as a requirement in the definition of applicable law under the Building Code Act.

From a safety perspective as well, emergency management details must be provided to municipalities. For a renewable energy project to be developed in an urban area, it must take into account the needs for access for emergency vehicles—in particular, large fire trucks. Those are things that may not always come up at the provincial level that are very important in the event that they are needed.

Finally, municipalities are entitled to know how the proponent will mitigate the visual noise and other impacts that these projects will have on surrounding properties, as well as the details of decommissioning plans so that when the project disappears, the municipality is not left with a mess to clean up.

With respect to the energy conservation initiatives, Mississauga supports energy conservation leadership and has taken many steps in this respect already. In fact, just today, Mississauga council approved a new strategic plan

built on five pillars, one of which is green living. That's the small document that was handed out today; it's an overview of what council has approved. Furthermore, discussions around the construction of our new fire-training centre have also asked that staff include a windmill similar to the one that was recently approved for the Lisgar GO station to ensure that facilities such as this under municipal ownership lessen their burden on energy.

Bill 150 proposes to require by regulation that municipalities prepare prescribed energy conservation and demand management plans to cover prescribed periods and that they be produced at prescribed intervals. It's difficult to know what that's going to mean. Bill 150 will also allow the province to prescribe targets for energy and environmental standards that a municipality must meet, and the province can require municipalities to comply with these prescribed requirements when acquiring goods and services or making capital investments. While the intention is definitely laudable, these requirements can be very onerous and also very expensive to municipalities. There's nothing in the legislation or in any other document that talks about how municipalities are to fund this. In this respect, Mississauga supports AMO's request that the province provide funding to support the new staff and investments necessary to develop these plans and to meet these requirements.

Also, in establishing these targets, it is hoped that any such targets will also take into account the efforts already being made by municipalities to conserve energy. For example, if the target is a 5% reduction from current usage, applying that across the board would penalize those who have already done significant work to reduce their usage through other initiatives such as the fire training initiative, which I've already talked about.

Finally, if new, energy-efficient building standards are to be prescribed, it is recommended that they be prescribed through amendments to the building code and enforced against all construction, not just public sector construction. I understand that the state of California has already mandated green buildings, and Washington DC now has an incentive program but will soon be mandating requirements as well.

The Chair (Mr. David Oraziotti): Thank you. That's time for your presentation. Mr. Yakabuski has questions.

Mr. John Yakabuski: Thank you very much, Ms. Bench, for your presentation on behalf of the city of Mississauga. You mentioned one item there: The government wants to take over the control of setting rules and regulations with respect to the establishment of renewable energy projects and, as they say, set a provincial standard. You also talked about decommissioning. If they're going to do that, do you also feel that there should be a provincial standard with respect to the responsibilities of decommissioning a renewable energy project in a municipality?

Ms. Mary Ellen Bench: Absolutely. The last thing we need is a situation where decommissioning is left, that the site is abandoned when it's no longer economically viable.

Mr. John Yakabuski: That is something that has been raised by other municipalities. More rural municipalities have a concern that if it's no longer economical, away they go and they're left holding the bag. So your concerns are the same thing, then?

Ms. Mary Ellen Bench: Yes, they are.

Mr. John Yakabuski: Thank you very much. I appreciate that.

The Chair (Mr. David Oraziotti): Mr. Tabuns?

Mr. Peter Tabuns: Mary Ellen, it's good to see you.

Ms. Mary Ellen Bench: Likewise.

Mr. Peter Tabuns: The city of Mississauga, like other municipalities, would be constrained by the 10-megawatt cap on the amount of power it could generate. Does Mississauga have interest in generating power? Does it have interest in generating power beyond that 10-megawatt cap?

Ms. Mary Ellen Bench: We've raised that issue with our LDC, Enersource. At the present time, they like the idea, but they don't have enough information to decide whether or not that's something that's feasible for them.

Mr. Peter Tabuns: Okay. Are there any renewable energy projects going ahead in Mississauga at the moment?

Ms. Mary Ellen Bench: The Lisgar GO station has a windmill, and we're looking at putting one in our fire-training station. We've got a number of proposals that will involve green roofs but also solar panel installations, mainly rooftop ones as opposed to ground-level ones. We are encouraging that. The new powers that we got in Bill 51 have certainly helped us to encourage development in that direction.

Mr. Peter Tabuns: Thank you very much.

The Chair (Mr. David Oraziotti): Mr. Delaney?

Mr. Bob Delaney: Welcome to Queen's Park, Mary Ellen. It's good to see you here. I'm glad you mentioned the new 50-kilowatt wind turbine at Lisgar; yesterday, Minister Bradley, Councillor Saito and GO president Gary McNeil and I were there to inaugurate it. I was going to ask you—over and above the very detailed brief that you submitted to us, for which I thank you—whether or not you could add any other details on some of the measures for conservation and renewables that the city is considering.

Ms. Mary Ellen Bench: The city already has a fairly detailed program in terms of our energy contracts and trying to lower temperatures in buildings in the winter and lower air conditioning in the summer. A number of green roof programs are being encouraged in new construction. We're looking at a couple of buildings that will be brought to the LEED silver standard. So there are a number of initiatives that the city has under way.

Mr. Bob Delaney: All right. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

SUMMERHILL GROUP

The Chair (Mr. David Oraziotti): Our next presentation is the Summerhill Group.

Just for individuals who are presenting or members of the public who are here, there are some refreshments over to the side, to my right. If you want to get something to drink, please help yourself.

Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions among members. You can start by stating your name. Go ahead when you're ready.

Ms. Stephanie Thorson: Stephanie Thorson, Summerhill Group.

Summerhill Group is a market transformation company that designs and delivers energy conservation and renewable energy programs for utilities, retailers, manufacturers and governments. We're home to two not-for-profit organizations, the Clean Air Foundation and the Carbon Reduction Fund, and we have a clean technologies firm called Transformative Technologies Inc. We're a Toronto-based firm with 45 full-time staff and over 1,500 part-time employees whom we employ across the country to deliver our programs.

I'd like to make three points today. The first is to wade through the details and enact the Green Energy Act. I'm honoured to be here on Earth Day, congratulating this government for creating such positive, progressive legislation that will move Ontario toward cleaner energy and green job creation. You've had much applause, but also detractors who argue that this route is too expensive, too unrealistic or too risky. My message is this: You have the support of those less vocal than me and the other presenters. Those with children, who care about the future and who challenge the way energy has traditionally been generated, support you. You have the support in many private and public sectors, and we'll help rally that support if asked.

1930

In return, support your supporters. Be bold in the face of opposition to feed-in rates that will actually translate into scale for meaningful energy production. This means proceeding with your proposed rate of 80.2 cents for rooftop solar energy systems, for example, so that concerned citizens can join the solar revolution and proudly produce their own energy.

Recently, the OPA was quoted as saying that this power would be purchased only when needed, but this is an untenable position that won't translate into contracts. You'll scare people away. Ontario will be known as the greenwashing capital—all talk and no real action. So buy the power consistently, produced at the promised rate, and put it in writing.

Acknowledge that conservation is getting more expensive as the market changes and that the simpler changes have, in many cases, already been implemented by households and businesses. This means ensuring enough flexibility within the legislation to enable innovations to be captured in the future for conservation programs.

Second, recognize the need for comprehensive outreach to meet the targets. Simply offering incentives won't lead, necessarily, to uptake. Summerhill Group designed and executed the marketing strategy for the

PowerHouse zero-interest loan and rebate program that was piloted in Ontario on behalf of Hydro One and Enersource. The Green Energy Act calls for this program to become province-wide, which we strongly support. We also ran the province's Go Solar program, conducting outreach to Ontario residents from 2007 to 2009 through a website, a hotline, communications materials and outreach events. We understand that outreach and financing will be rolled into one financing program in the future, which is highly commendable, but just be sure to provide enough outreach support to explain the technologies to people, accredit and communicate with installers—and don't allow the municipal permit process to continue to be a nightmare. It took me over four months to get a plumbing permit from the city of Toronto for my solar water heater and it cost my installer many days of unpaid labour. You'll kill the market this way, not grow it.

Provide the support the public will need through a comprehensive outreach plan, and include such things as detailed evening and weekend workshops across the province, a digital and a physical presence—a place for people to go and call and get answers to their questions. Involve NGOs and other credible organizations. This is a major investment for people, so brochures in the mail won't get shovels in the ground or panels on the roof.

Third, the last point, is to make use of on-the-shelf permanent load-shifting technologies. Ice storage technologies are able to shift up to 95% of electricity demand for air conditioning from the daytime peak to off-peak, night-time periods. Distributed energy storage systems such as Ice Energy store cooling energy at night, when electricity generation is cleaner, less expensive and more abundant, by freezing water at night within an insulated storage tank to create and store cooling capacity for the next day. As daytime temperatures rise and the building requires cooling, cooling is provided to the building by ice melt and a low-wattage fan instead of air conditioning. In addition to addressing peak demand, since renewable energy technologies are often variable or not always on-peak when power is most valuable, energy storage plays a critical role in helping renewables succeed by maximizing their value and ensuring optimal integration into the system.

The Green Energy Act identifies energy storage technologies within the bill, but doesn't clearly indicate the manner in which they'll be integrated and encouraged as critical components. Specifically, we recommend that the committee consider:

- including permanent load-shifting technologies that shift peak-demand air-conditioning energy to off-peak within the act;

- using a time-variant tariff or other appropriate incentives for energy storage technologies that will encourage investment in this technology and smart-grid tool, because right now there is no incentive to go to night-time storage within the current pricing structure;

- ensuring that distributed energy storage is built into efforts to increase the use of renewable energy sources. You could have a fire-and-ice concept, where you have

ice storage at night and use solar to just power the simple fan blowing over the coils. You're moving from 7,000 watts in a day for air conditioning down to 300 watts, which could be powered by solar; and

- ensuring that there is a cost recovery mechanism so that the utilities can actually own these assets themselves.

Thanks for your attention.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns's questions first.

Mr. Peter Tabuns: Stephanie, thanks very much. It's good to see you here.

Ms. Stephanie Thorson: Thanks.

Mr. Peter Tabuns: Two points: The ice storage system—very briefly, I assume that they're now commercially available and commercially competitive. The second question, then, is the question about paying renewable energy producers consistently. Could you enlarge a bit on what it would do to renewable energy producers if they didn't think that they were going to have a consistent stream of revenue? Sorry; two questions.

Ms. Stephanie Thorson: Sure, okay. So the first question on ice storage: There are large commercial systems and small commercial systems. The one that we're most familiar with is smaller, sort of more flexible. It's infinitely scalable. There are some units on the Mountain Equipment Co-op building in Burlington, and we've taken some folks, decision-makers, on tours of that. So there's a local solution that you can see in action. Mountain Equipment Co-op bought it more as a statement. It has a long payback right now, but again, that is related to that tariff, the time-of-use rates that I mentioned.

The other question that you had on the pricing: I'm not sure that concern applies to—I mentioned the Ontario Power Authority entering into contracts. That may not apply to the micro-systems. I think it's referring more to the larger systems. But if you have an investor who is considering investment but they don't know what their return on investment is going to be, then they're just going to walk away. If there's no certainty there, then there is no incentive for them to make that investment, because they can't predict what the demand will be for energy. You either produce the energy and get a revenue stream from it or there's not a compelling case economically.

The Chair (Mr. David Oraziotti): Okay, thank you.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: Thank you for being here, and happy Earth Day to you. It's nice to be dealing with this piece of legislation on Earth Day.

I wonder if you have any thoughts with respect to global best practices associated with energy storage. Over the last number of days, we've heard snippets of commentary with respect to the importance of energy storage. But we haven't really had an opportunity here—how is this being used elsewhere in the world, perhaps ahead of us, in designing some of these models to move to decreased load usage and increased renewables?

Ms. Stephanie Thorson: The best example that I know of is in California, where the utilities actually have—there is an infrastructure for them to own the asset themselves and to just find customers that agree to have them at their facility. So the California example would be the one I would point to as the best practice.

Ms. Laurel C. Broten: Thank you.

The Chair (Mr. David Oraziotti): Thank you. Mr. Yakabuski?

Mr. John Yakabuski: Thank you very much—

Ms. Stephanie Thorson: Stephanie.

Mr. John Yakabuski: —Stephanie, for joining us. I knew I had it here somewhere.

Ms. Stephanie Thorson: It's been a long day for you folks, I'm sure.

Mr. John Yakabuski: Ice storage. Okay, hypothetically, a 3,000-square-foot home, a plenum-mounted A-coil air conditioning system—

Ms. Stephanie Thorson: It's really a commercial application right now.

Mr. John Yakabuski: Okay, so it's not—I was going to ask you, because there doesn't seem—

Ms. Stephanie Thorson: I think that in the next couple of years, you'll see—

Mr. John Yakabuski: So you're saying it would work in an open concept, more or less. If you had to send it into multiple rooms through ductwork and everything, it doesn't work.

Ms. Stephanie Thorson: It just hasn't been—the market—I mean, it could be, for a giant house, but really—

Mr. John Yakabuski: So right now, it's a centrally located fan pushing cold air. Right now, it doesn't have an application in a home environment.

1940

Ms. Stephanie Thorson: Correct. I think in the future you'll see that, but there need to be more commercial and small commercial applications and then you'll see the manufacturers scaling to residential.

Mr. John Yakabuski: So for a 10,000-square-foot building, how much ice storage would be required on a typical 30-degree summer day, and what would be the cooling costs associated with making that ice?

Ms. Stephanie Thorson: I'm not really the details person on this one, but I do believe that the Mountain Equipment store, whatever their square footage would be, has five units. Each unit is displacing roughly 7,000 watts of peak air conditioning, so that is moving to night-time use. During the day, then, you're looking at 300 watts just to keep a fan blowing over that ice and blowing in the cool air. So it's not actually decreasing overall load; it is truly shifting it.

Mr. John Yakabuski: Shifting peak to a lower—

Ms. Stephanie Thorson: That's right, on a storage basis.

Mr. John Yakabuski: I appreciate that.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. That's time.

FEDERATION OF RENTAL-HOUSING PROVIDERS OF ONTARIO

The Chair (Mr. David Oraziotti): Our next presentation is the Federation of Rental-housing Providers of Ontario.

Good evening, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members of the committee.

I just want to remind individuals who are here watching the presentations that there are refreshments over to the side. If you'd like, please help yourself.

Go ahead. State your name for the purposes of Hansard, and you can begin your presentation.

Mr. Mike Chopowick: Good evening. My name is Mike Chopowick. I'm the manager of policy for the Federation of Rental-housing Providers of Ontario. FRPO represents over 800 members who supply or manage over 250,000 rental housing suites across the province.

We appreciate the opportunity to provide input on provisions in the Green Energy Act that will directly affect landlords and tenants in Ontario. We support the government's efforts and policy direction as outlined by the Green Energy Act and we look forward to working with the government on initiatives to promote a greener Ontario.

Before speaking to the specific parts of Bill 150 that directly relate to rental housing and tenants, we also want to review the ways rental housing already plays a leading role in energy conservation and sustainability issues in general. We think it's important for you, as our elected officials and policy-makers, to understand the green benefits of rental living and various policies that are put in place under the framework of the Green Energy Act.

Apartment buildings are already the most efficient and environmentally sustainable form of housing in Ontario. They are higher density, they use less material per housing unit and they have an inherently lower environmental footprint per housing unit, which I will discuss briefly in a moment. Rental housing is also an essential element for meeting our province's affordable housing needs.

Landlords are already making sizable investments in energy efficiency and sustainability. To recognize this, FRPO started an Environmental Excellence Award in 2006 to honour the achievements of apartment owners and managers who make these investments. Some examples:

—Minto has invested \$15 million in its multi-residential environmental retrofit program. They've achieved a 25% reduction in gas, a 36% reduction in water and a 10% reduction in electricity use, and they have reduced greenhouse gas emissions by over 20,000 tonnes since 1999 for those 11,500 suites.

—Wellington Suites is a 50-unit apartment building in Port Hope, Ontario. Since 2005, the owners have accomplished a 53% reduction in gas consumption, a 33% decrease in water and a 28% decrease in electricity, and they've also increased waste diversion from 10% to 60%.

—O'Shanter Development Co. has won the most recent FRPO environmental award in 2008. Since 2005, O'Shanter has achieved a 43% reduction in water consumption, a 45% reduction in gas and a 30% increase in the recycling rate. They've also improved electricity savings by 15%.

Since August 2008, FRPO's appliance replacement program has replaced 6,000 old refrigerators in apartment buildings with new Energy Star models. Of these 6,000 old fridges, over 2,400 were pre-1993 models, resulting in energy savings of over 50%. All old fridges have been environmentally decommissioned as well. The Green Energy Act contemplates a requirement for all new appliances to meet certain energy efficiency standards. We're already there as an industry and we're being proactive in reducing our consumption.

As mentioned, apartment buildings are already the most efficient and environmentally sustainable form of housing that there is. Our landlords are providing quality housing that leads the way in sustainability and efficiency. For example, the average multi-residential rental housing unit consumes almost 40% less water compared to single-family homes; the average high-rise rental unit consumes over 8% less electricity compared to the average single-family home, while low-rise multi-residential units use 27% less electricity.

Compared to single-family homes, landlords and tenants in Ottawa and Toronto generate over 60% less total waste per household. Rental housing also uses fewer car trips per household; renters make more use of public transit. Rental apartments also support Ontario's "creative class," as identified in a recent provincial report as a source of future economic growth for this province.

FRPO is also partnered with the Ontario Power Authority for a pilot project to conduct measurement and monitoring, to develop energy benchmarks in apartment buildings and to engage and educate tenants in awareness of available conservation measures. These are just some of the ways landlords are taking a lead role in energy efficiency and sustainability.

As we indicated earlier, we support the government's efforts to promote energy conservation and its efforts to facilitate green energy. Given my limited time, my comments today will just focus on a few key concerns of the act.

Mandatory home energy audits: While there are benefits to energy audits of properties, home energy audits should be conducted at the discretion and the expense of the purchaser. As currently worded, the Green Energy Act could require energy audits on all leased property, including rental housing units. Audits of rented multi-unit dwellings would have little value, since most energy consumption is due to the individual behaviour of the tenant, and mandatory audits would result in an additional cost for each tenant every time they move into an apartment. We recommend that in schedule A, subsection 2(1) of the act exclude any possibility of leased residential property being required to have a mandatory energy audit.

Despite the Ontario government's publicly stated objective of implementing smart meters in every home and business by the year 2010, a workable legislative and regulatory framework for smart meters in apartment buildings does not yet exist. In fact, recent actions by the Ontario Energy Board have halted submetering projects, which have been providing electricity consumption reductions of about 39% in electrically heated buildings. Landlords support the government's smart meter implementation objective, but uneconomic rules that fail to promote energy conservation will prevent smart submetering of hundreds of thousands of rental housing units.

Section 3 of Bill 150 must allow the designation of technologies that promote energy conservation, such as smart meters, to be implemented in rental housing despite any restriction imposed by other laws such as the Residential Tenancies Act. FRPO supports the development of new, fair and workable rules that would encourage smart meter installation and promote energy conservation among tenants.

Subsection 5(2) of Bill 150 permits cabinet to define classes of energy users and require such users to prepare conservation and demand-management plans. Residential landlords and property management companies should be excluded from this requirement, as it would add unnecessary costs to tenants and have minimal impact on energy conservation, since most of the energy usage will be influenced by the behaviour of individual households.

Section 14 of the proposed Green Energy Act prohibits the sale or lease of an appliance that does not meet energy-efficient standards. As indicated earlier, this is a positive measure, but the government needs to clarify that this provision excludes the indirect leasing of appliances that may occur when a landlord leases a rental unit along with its appliances or when a landlord sells a rental property that includes appliances as chattel.

The proposed Green Energy Act also includes provisions to empower local distribution companies to help deliver conservation programs to consumers. Bill 150 must provide requirements that energy-efficiency programs delivered by local distribution companies and utilities to the residential sector include multi-residential rental properties as eligible participants. All too often, our sector is left out of such initiatives, to the detriment of provincial conservation efforts.

The Green Energy Act creates opportunities for requiring targeted conservation measures to protect low-income Ontarians. We strongly support this element of the legislation. However, when implemented, rather than rate-based subsidy programs, priority should be given to reducing consumption through demand-side management programs that are especially targeted at both low-income consumers and their housing providers.

Thank you very much for the opportunity to speak on this matter today.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Ms. Broten, questions?

1950

Ms. Laurel C. Broten: Thank you for your presentation today. I'm wondering if you, on behalf of your

members, have any best practices that you'd like to provide to the committee with respect to how large, multi-unit rental housing buildings might have tackled some of the issues with respect to increased conservation or helping tenants manage their bills. It certainly is something that we do hear a lot about, and it seems to be one of the sectors with which we struggle to meet our mutual goals.

Mr. Mike Chopowick: Many new rental housing buildings being constructed in the province, as I understand, are meeting the LEED certification requirements, and that seems to be a common benchmark or standard that rental housing providers seem willing to meet. There is a slightly different situation with some of the older stock of buildings in Ontario that were built pre-1970. As I mentioned, we are working with the Ontario Power Authority to develop some appropriate benchmarks for those types of buildings. So once we have established that, we'll have a better idea of what standards would be appropriate for that stock of housing.

Ms. Laurel C. Broten: Thank you.

The Chair (Mr. David Oraziotti): Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Mr. Chopowick, for joining us tonight. Sub-metering: When this issue was being talked about originally, Donna Cansfield indicated that she was going to have sub-metering in rental buildings. George Smitherman fought her tool and nail on that and got it out of there, because he was concerned about his own constituency and the number of people who rent here in his riding. You're saying that where they have been installed, they've resulted in a 39% reduction of electricity usage—and they don't want to put them in?

Mr. Mike Chopowick: That's the directive from the Ontario Energy Board, that any metering activities in rental housing properties are now in contravention of the act. So that seems to be the case.

Mr. John Yakabuski: I guess they're not interested in conservation.

Mr. Mike Chopowick: We have a lot of case studies that do show positive results. The answer to that question is that Ontario is the only jurisdiction that we're aware of in North America—any province or state and even European countries—where tenants are forced to subsidize their neighbours' energy usage. It's not fair. It's something that we'd like to put an end to, and sub-metering would help achieve that. Like I said, if the government does have the objective of implementing smart meters in every home, as they've previously stated, we do support that objective, but we need some clear and workable rules to—

Mr. John Yakabuski: Those people who have grow-ups don't like the sub-metering either, because—

Mr. Mike Chopowick: It's not a laughing matter. A very practical use of smart meters and sub-meters is to actually identify some illegal activities that are hidden in apartment buildings.

Mr. John Yakabuski: We'll have to find out if George is interested in conservation or not, I guess.

The Chair (Mr. David Oraziotti): Thank you for your questions. Mr. Tabuns.

Mr. Peter Tabuns: Thank you very much for coming in and making a presentation this evening. I'm going to assume that those case studies that you've put forward here of substantial reductions in gas and electricity and water use all were financially beneficial to the apartment operator.

Mr. Mike Chopowick: There's no net effect to the apartment operator, because all tenants pay for the costs of utilities. The question is what proportional share of those costs they pay. So in a 100-unit building, does each tenant pay one one-hundredth share or do they each pay for their own individual usage? There's no net benefit or detriment to the owner of the building. It's just a matter of allocating billing based on usage or based on bulk consumption.

Mr. Peter Tabuns: In saying this, I'm not being critical. I'm very pleased that they did this—

Mr. Mike Chopowick: No, no. That's—

Mr. Peter Tabuns: So how did they recover their investment?

Mr. Mike Chopowick: I want to make this clear distinction: The landlords actually are removed from this process. What happens is that either a utility company or the metering company—

Mr. Peter Tabuns: My apologies; I wasn't clear. You had three examples at the beginning—Minto, O'Shanter and Wellington—where they've substantially reduced heating and electricity use.

Mr. Mike Chopowick: That's right, and actually most of those things have been done through things like replacing light bulbs, replacing HVAC equipment—just actual retrofit measures. I don't think very many of these case studies that I mentioned are even related to metering.

Mr. Peter Tabuns: No, and I didn't think they were, but I'm assuming they were able to get those reductions in energy consumption and get a positive payback on that.

Mr. Mike Chopowick: Yes, absolutely.

Mr. Peter Tabuns: Great. Okay, thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation today.

SOCIAL INVESTMENT ORGANIZATION

The Chair (Mr. David Oraziotti): Our next presentation is the Social Investment Organization.

Good evening, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. Start by stating your name for the purposes of Hansard, and you can begin.

Mr. Eugene Ellmen: Thanks very much. I'm Eugene Ellmen, and I'm the executive director of the Social Investment Organization. You've probably heard this a lot today, but I'm glad to be here on Earth Day. I've got a brief in front of you, and I'm just going to talk about a few of the major points in the brief.

There are some specific regulatory changes that we call for, largely based on the work of the Ontario Green Energy Act Alliance. One of our members, the Community Power Fund, is one of the leading organizations in that group, so we have worked with them to develop these recommendations.

By way of a few general comments, I would first like to commend the government for this. Our members, which include the major companies in the socially responsible investment industry—companies that are in the mutual fund industry, the asset management industry, the investment consulting industry, financial advisers and some investors themselves—are all keenly aware of the green energy potential in investment. Most of our members are, in one form or another, investing in it already. We commend the government for introducing the Green Energy Act and making it easier, creating a greater environment of certainty for investors in renewable energy development in Ontario.

There are three reasons, particularly, why the new regime increases the comfort and security of investors. First is the system of feed-in tariffs, obviously providing long-term energy contracts. There are a number of long-term investors now—pension funds and insurance companies—that are looking for long-term income-producing investments in the infrastructure area. Certainly renewable energy is part of that, so the feed-in tariffs provide the security that long-term investors need to invest in the sector. Secondly, the right-to-connect provisions eliminate one of the significant investment risks, which is that a short-term investor might invest in a development project and then down the road find that they are not able to connect to the grid. Thirdly, the streamlined approval procedure for local approvals also reduces one of the major investment risks, which is that local development projects can get tied up in local approval disputes. We believe that these three elements will add some certainty and a higher level of security to the investment industry and increase the potential for investment in renewable energy.

I would like to focus on three major areas, which are on page 4 of my brief. All of these are really aside from the act itself.

First of all, in the venture capital area, you may know that the province of Ontario has been phasing out its tax credit for investors in labour-sponsored venture capital funds. Combined with other trends in the venture capital industry, this has created a major difficulty for fundraising by the Ontario venture capital industry and the Canadian venture capital industry.

The Canadian venture capital association said in a report just released in January, “As is the case for many other venture capital industries around the world, the industry has not yet been able to deliver strong enough returns to consistently attract institutional Canadian and foreign investors. At the same time, governments have shifted towards indirect support to the industry while allocations to government direct funds and tax credits to investors in retail funds have tended to be reduced. As a

consequence, fundraising is shrinking and the investment pace by Canadian funds is contracting.”

This is at a time when the sustainability requirements for new investment is at an all-time high and initiatives like the Green Energy Act are going to create additional demands for investment capital in renewable energy. This is at a time when our venture capital industry is contracting, not growing. This is particularly important because venture capital, as you may know, is an important source of capital in knowledge-based industries as a way of creating expansion and growth capital for knowledge-based industries, and renewable energy certainly is one of those.

2000

Our recommendation is that the Ontario government revisit its decision to reduce tax credits to the venture capital industry through the labour-sponsored venture capital program. Specifically, SIO recommends that the government consider a new retail venture capital tax credit aimed at supporting investment opportunities and funds investing in specified green energy industries that will respond to the needs for renewable energy expected from the development of the Green Energy Act. We're not calling for a reinstitution of the labour-sponsored tax credit; what we would like to see is a more focused tax credit on industries investing in renewable energy.

The second area is homeowner financing. As you know and as you probably heard through these hearings, one of the largest barriers to homeowner construction—solar panel, small residential wind projects—is the large up-front cost. There are a number of banks, financial institutions and credit unions that already operate in this area, providing credit to homeowners to install energy retrofits. Alterna Savings, one of our sustaining members, was the first financial institution in Canada to go into this area, through the GreenSaver program. Citizens Bank, another member of ours, has the Enviro-Financing program. CIBC offers an Enviro-Saver mortgage for energy-efficient upgrades, TD offers a Green Mortgage and Green Home Equity Line of Credit and RBC offers the Energy Saver mortgage for green home retrofits. So the banking industry is already poised to deliver on this, but we believe that one of the barriers preventing homeowners from embracing these programs is still a reluctance to saddle themselves with the payback costs of such a large outlay.

What we are proposing here is regulatory changes that would enable utilities to have an on-bill payment system in which the payments for these homeowner loans would go directly to the financial institutions making the loans. The homeowner would still be on the hook for repaying these, obviously, but it would go through the utility bill, which would enable the repayment to be much more efficient. At the end of the loan, the retrofit equipment obviously would remain with the property, and then the homeowner would enjoy the energy savings from it. As well, if the homeowner leaves before the loan is paid off, the loan would stay with the house, not with the homeowner, and the utility bills would continue to repay the loan into the future.

The third area we want to talk about is community power. Community power projects are addressed in the initiative, and we're pleased to see that. Community power projects face particular capital barriers because often they are non-profit associations of landowners or co-operatives that have difficulty raising capital in the conventional shareholder markets.

What we would like to see, and this echoes the recommendations of the Green Energy Act Alliance, is a particular provincial financing program for community power projects, and our recommendation here in particular is that the government consider a comprehensive financing program to provide early-stage capital for community power projects. Such a financing program should also include a community economic development investment fund program that could provide investment tax credits for community-based power projects, raising investment funding from local communities, similar to the CEDIF program in Nova Scotia. This is quite a successful program. It has been used not just in community power, but in other sectors as well. But it has been successful in providing early-stage capital—

The Chair (Mr. David Oraziotti): Sir, I'm going to have to stop you there. If you want to take 30 seconds and wrap up.

Mr. Eugene Ellmen: —for community power projects. So those are our three recommendations.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Bailey, questions?

Mr. Robert Bailey: I enjoyed your presentation very much, Mr. Ellmen. Could you give me an example of tying the loan to the utility bill? Is that a new concept or has that worked somewhere else before?

Mr. Eugene Ellmen: My understanding is that there's no precedent for this in North America, but in some European jurisdictions there are.

Mr. Robert Bailey: I found that very interesting.

Mr. Eugene Ellmen: There are some jurisdictions in the world that have done this. I can't speak for their success on this, but I think that it would reduce some barriers to the repayment of the loans.

The Chair (Mr. David Oraziotti): Mr. Tabuns.

Mr. Peter Tabuns: Eugene, thanks for the presentation and thanks for being here. Could you tell us a bit more about CEDIF, how it works and what it's been able to produce in Nova Scotia?

Mr. Eugene Ellmen: The CEDIF program is a community tax credit, 30% for Nova Scotia taxpayers. It's not just for renewable energy; it can be used for other community economic development projects. But essentially, it combines the provincial tax credit with an expedited share offering, and that's as important as the tax credit because, as you know, for investors, for offering issuers to go out into the market through the regular prospectus requirement is an extremely costly endeavour. It can run up into the tens of thousands, if not hundreds of thousands, of dollars. So the expedited approval process means that local community organizations can run their offering statements through an agency of the Nova Scotia

government. As long as it meets certain prescribed tests, those offerings are approved and then put out into the market. They've been quite successful in getting local community buy-in through the expedited process and through the tax credit.

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: Thank you for being here this evening. I wanted to focus on the venture capital analysis that you brought forward. Are there other jurisdictions that we can look to, perhaps, with respect to how a venture capital tax credit aimed at supporting these investments might facilitate the objects of the Green Energy Act?

Mr. Eugene Ellmen: Again, I believe there are other jurisdictions in Europe. The idea is that it has been a relatively successful program through the labour-sponsored venture capital program in Canada, in Ontario and other jurisdictions. The industry as a whole has not lived up to the expectations set for it by investors, and that's one of the reasons that I think the Ontario government is now phasing it out. So again, we don't think that we have to reinvent the wheel here. There is Canadian experience with the concept. What we're asking for is simply to take our existing expertise on the labour-sponsored program and narrow the focus into funds investing in green energy industries.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

SUSTAINABLE BUILDINGS CANADA

The Chair (Mr. David Oraziotti): Our next presentation is Sustainable Buildings Canada.

Good evening, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, and there will be five minutes for questions among members. I understand you have a PowerPoint presentation this evening, so I'll give you a moment to get going. So when you're ready, for the purposes of Hansard just state your name, and then you can begin your presentation.

Mr. Bob Bach: All right. My name is Bob Bach. I'm representing Sustainable Buildings Canada. We have a handout which describes Sustainable Buildings Canada and my particular experience in energy efficiency and building codes.

2010

I want to address my remarks specifically to schedule J of the Green Energy and Green Economy Act, which specifies that the Minister of Energy and Infrastructure will in effect take over the responsibility for establishing energy conservation and environmental integrity in the building code.

Ontario has been a leader in energy conservation in building codes in Canada, and this slide shows a brief history. I should preface my remarks by saying that I'm commenting specifically about buildings rather than low-rise housing, and multi-family buildings fall into the category of "buildings" rather than "housing."

In 1993, Ontario introduced an energy code into the building code. An energy code is a document that lays down the way by which energy efficiency will be established. It in fact sets a level of energy efficiency. Furthermore, in 1993, the province developed a compliance review and inspection manual for building officials and also trained building officials across the province in how to apply the energy code within the building code. I led that work and I delivered the training, and I can tell you that many building officials had trouble understanding the issues required to establish energy efficiency in buildings.

In 1997, the province added the model national energy code for buildings as an alternative document to the one adopted in 1993. No other jurisdiction in Canada adopted either of those documents, with the exception of the city of Vancouver, which has its own building code. So Ontario has led significantly in this area.

In 2007, the province added a part 12, specifically dedicated to resource conservation, and updated the energy efficiency requirements by adopting a more recent energy code.

The building code development process is shown on this slide. It begins at the National Research Council, who developed a model building code known as the national building code. That flows through a committee called the Canadian Commission on Building and Fire Codes, who must approve and issue the document. Ontario is one of the provinces that do not adopt the national building code as drafted. It rewrites several sections, and one of them is part 11, which is unique to the Ontario building code, which is for renovation, and the other is part 12, which is new with the 2006 building code. The Ministry of Municipal Affairs and Housing is responsible for the development of that building code, and it is issued under the authority of the Building Code Act.

However, the Ministry of Municipal Affairs and Housing does not enforce the building code; the building code is enforced by the municipalities in the province. So, if I, as a permit applicant, wish to build a building, I go to my local municipality, although I will have designed it in accordance with the Ontario building code.

There are a couple of other organizations. One is known by the acronym PTPACC, the Provincial/Territorial Policy Advisory Committee on Codes, and it advises the CCBFC. In Ontario, if an applicant and a municipality cannot agree on how the code should be interpreted, there's an additional organization called the Building Code Commission which will hear both sides and render a decision.

What the Green Energy Act proposes to do is have the Minister of Energy and Infrastructure insert into the work of the Ministry of Municipal Affairs and Housing the energy and environmental integrity provisions. What I would suggest to you is that that's not where the problem lies in advancing energy efficiency. The way that energy efficiency is introduced in the building code is simply by adopting a document called an energy code, as I've described, and that is a highly specialized document. The

problem lies in the enforcement of the requirements of the energy code by the municipalities. I would suggest to you that the Ministry of Energy and Infrastructure is focusing in the wrong area by what is defined in schedule J.

There is a much better role for the Ministry of Energy and Infrastructure, I would suggest, and that would be to either become a key resource for municipal building officials who undertake the plan's examination to determine compliance with the energy efficiency aspects of the building code or else, in fact, to do that plan's examination for part 3 buildings, which are larger buildings, in order to determine that compliance. That's a really important role. Some of the US states have in fact taken that step, and they have greater success generally with compliance than those jurisdictions which rely only on municipal building officials. I should add that I chair a committee of municipal building officials known as the Mechanical Services Advisory Committee, which covers the 14 municipalities across the GTA. I'm very familiar with the problems they face, and because of the establishment of priorities in their review, energy efficiency is somewhere well down the line.

I can add a couple of other comments about the environmental aspect. The building code: as issued by the National Research Council, the model code has only four objectives: safety, health, accessibility and fire and structural protection. Ontario has added the fifth objective, resource conservation, but there are many other areas which are the real risks to our society that the building code does not address and which fall under the category of environmental integrity. I would suggest that those are far more important to look towards, and that's where the leading codes' authors are going in the development of their codes.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns questions first.

Mr. Peter Tabuns: Bob, thank you very much. The first question is: How broad would you say the range of non-compliance is?

Mr. Bob Bach: I was asked by Natural Resources Canada to prepare a study last year. I talked with a number of people, both in Canada and in the US, and I also held a workshop with my committee of building code officials, who, I will tell you, are responsible for about 30% of the value of construction in Canada. So this is a core group of people. The compliance level, they had to acknowledge, was very low.

Mr. Peter Tabuns: You're recommending that we amend the act by directing the ministry to become more involved with the—

Interjection.

Mr. Peter Tabuns: Well, enforcement, but I guess, when you approve the plan, then it has to be built according to the plan; that's easier to enforce. So that that's the direction you think it has to be taken most critically to deliver what we want to deliver here.

Mr. Bob Bach: Yes. You can write a code, but if it doesn't get enforced, you've gained nothing.

Mr. Peter Tabuns: The same with any unenforced law: It's a nice curiosity. Thank you.

The Chair (Mr. David Oraziotti): Ms. Mitchell.

Mrs. Carol Mitchell: Thank you very much for your presentation. Just so that I'm crystal clear on this, are you saying that you see that the environmental integrity should be part of the building code or that environmental integrity should be part of the resource conservation applied through the Ministry of Energy? Just so I'm crystal clear.

Mr. Bob Bach: "Environmental integrity" is not a term that is commonly used in the green or sustainable building field; it's a term that has appeared in the Green Energy Act. I can't give you a definition, but I'm assuming that it targets all those aspects of buildings that affect the environment. If I can back up a slide, what's inside the circle is what the building code deals with. What's outside the circle are the real, long-term risks to our society that result from buildings. So I would suggest THAT an interpretation might be that "environmental integrity" would include those things that are outside the circle.

2020

Mrs. Carol Mitchell: So you see it to be an adjustment of the building code or an adjustment of the conservation resource. Or it doesn't matter; you just feel it needs to be a part of the conversation or a part of the language for understanding how the building code needs to adapt.

Mr. Bob Bach: In the long term, the building code needs to adapt. In the short term, I believe that the intent of schedule J is misplaced, because the Ministry of Municipal Affairs and Housing has been doing, generally, a very good job on energy conservation in the building code. But they do not do the enforcement, and I will tell you that, having delivered the training in 1993, there has not been another round of training for building officials even though we have a newer energy code. That's a real lack, even as a first—

The Chair (Mr. David Oraziotti): That's time. Thank you. Mr. Yakabuski?

Mr. John Yakabuski: Thank you very much, Bob, for joining us this evening. I'm surprised; this government loves to pass laws that are either unenforceable or irrelevant but make for good photo ops somewhere. I'm not sure where sometimes, but they find the places.

So I'm on the same wavelength, and my questions are the same as Mr. Tabuns's. If they enforce the provisions that are there today, that would accomplish most of the goals, as opposed to changing the jurisdiction and changing the enforcement criteria. Just getting enforcement onto the municipal level of what we already have in place would go a long way to making our buildings more energy-efficient. Is that what you're basically saying?

Mr. Bob Bach: I believe it would.

Mr. John Yakabuski: I'm not surprised. But they like paper. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

PEMBINA INSTITUTE—TORONTO BRANCH

The Chair (Mr. David Oraziotti): Our next presentation is the Pembina Institute—Toronto Branch.

Good evening, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions among members of the committee. For the purposes of our recording Hansard, you can simply state your name, and you can begin your presentation.

Ms. Cherise Burda: Thank you. My name is Cherise Burda. I'm with the Pembina Institute here in Toronto. Thank you so much for this opportunity to present to you tonight..

Just a little bit about our submission: I think you've already met my colleague Tim Weis in Ottawa, and he gave a presentation focusing on remote communities. We are also a founding member of the Green Energy Act Alliance, so we are signatories to the expert analysis and submission from the alliance. We support all of those amendments, of course. So what I'm going to do tonight is also, like Tim, focus on one little aspect of that greater submission.

We have a very detailed written submission that's been distributed. Also, if I could allow this to be part of our submission: It's a report that I think you've seen distributed before as well. I have some copies of the full report with me tonight, but it's also available on our website.

First of all, congratulations. We're very excited about this piece of legislation. We note that a number of US states are also getting on the bandwagon and looking at feed-in tariffs. Pembina is a national organization, and my colleagues across the country are always saying, "How do we get one of these?" We really need to get the details right. I know that it's a challenge to do that because you have groups, such as myself, that say, "Great act. Let's do more. Let's go even further." Then you have, I guess, the other extreme of, "Please don't do it in my backyard." So it's really challenging to focus on all those things. But I'm going to focus on the let's-do-more camp.

What I'm going to be looking at is ensuring priority procurement and maximum growth of green energy. We know that, as far as our submission, Bill 150 doesn't go far enough to ensure priority procurement, but also that it doesn't go far enough to ensure that the maximum amount of green energy potential can be realized in Ontario. There have been a number of expert submissions that have been made that recommend policies and programs to increase the amount of green energy, including conservation. But the main problem here is that there simply isn't enough space on our electricity grid to allow for the maximum procurement of the amount of green energy potential in Ontario.

Let's look at CDM, for example. There really are no market or technical reasons why CDM is limited to 6,300 megawatts in Ontario, when we know, through a number of expert studies, that we can achieve at least more than twice that target. In September, Minister Smitherman

gave a new directive to the OPA to look at increasing renewable energy, but in the case of CDM, unfortunately, it was to accelerate the targets, not increase those. We would like to see the Green Energy Act ensure that we can achieve our maximum potential for CDM.

The same with renewable energy: Our current electricity plan, the IPSP, calls for about 8% of the total electricity supply mix to consist of new renewable energy by 2027. So I'm hoping that the Green Energy Act can be more than just a vehicle that ushers in the current targets that are already in the plan, that we can go further than that.

From what I've been told by the OPA, they are tasked with determining new green scenarios which will have new possible targets for renewable energy based on the uptake of the feed-in tariff. So what I'm here to say tonight is, let's try to make those as aggressive as possible. I'm not going to talk about CHP; a lot of people have. I'm going to get straight to trying to reach and exceed our potential.

The Green Energy Act Alliance proposes some very high, aggressive targets for renewable energy. We think that we should be aiming high, that we should be meeting and exceeding certain targets and not imposing any caps. We need to remove the de facto caps from renewable energy, simply because CDM, renewable energy and our electricity supply mix, through the supply mix directive, are interpreted by the OPA as absolute maximums rather than minimums, and that needs to change.

We need to look at some examples where other countries have exceeded their targets, then increased their targets and exceeded them, and then increased them again. For example, in Denmark, everyone thought they were crazy when, in the 1990s, they proposed a 10% wind target by 2000. The grid guys said it was impossible, but they met their 10% target by 2000 and then hit 20% in 2006. We are facing some of the grid stability and integration issues, as they have, so we can go a lot further.

The Green Energy Act must ensure that green energy does not remain marginalized in the electricity supply mix. The full potential of green energy, including conservation, can be realized. The de facto cap on green energy needs to be removed and space needs to be made for green energy on the electricity grid.

2030

This report that I sent around—I'm just about finished—goes into detail about how we can increase our amount of green energy and what different portfolios could look like, so I'm hoping that will be taken into consideration by the OPA when they are developing their scenarios.

Finally, making space for green energy: We need to understand that the current targets for nuclear energy, which are quite clear in the electricity supply mix, in effect impose a nuclear ceiling on the expansion of green energy, so we need to deal with that. We have heard recently about the report from the electricity system operator of Ontario that there's a problem with surplus

baseload from nuclear energy. The problem is that when demand is low, this might mean that we curtail the amount of green energy being expanded, simply because it's difficult to turn off nuclear in a case of low demand. So what we're suggesting is that we are in a situation right now where demand is even lower and we should be making some clear decisions about how to replace the aging Pickering nuclear station with green energy. In fact, the IESO suggests that we can do the same thing as well, using conservation, renewables, imports etc., and that we could be in a more flexible situation, procuring and deploying green energy rather than being in a situation where we have excess baseload.

I will stop right there. Thank you for your time.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Questions, Ms. Broten.

Ms. Laurel C. Broten: Thank you for your presentation, and thank you for being orderly in your thoughts. I think all of us are getting a little bit tired tonight, so I appreciate that.

You made a number of thoughtful comments. If I look through your recommendations, there is only one that specifically is with respect to amendments to the act itself. Other things are that we need to be careful as we continue in development and design. As we move forward in this process, there are a number of outstanding issues that we need to manage, and you're giving us advance advice on those things.

Ms. Cherise Burda: Yes. To be clear, there is one specific amendment. Also, the other opportunity is through the green scenario development through the OPA, which is supposed to be part of the feed-in tariff process.

Ms. Laurel C. Broten: Great. Thank you very much.

The Chair (Mr. David Oraziotti): Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Cherise, for joining us this evening. I've got a couple of questions.

Even if the Liberals are in power, we've got to believe that this economy is going to turn around at some point and we are actually going to start to create jobs again in this province. We've just got to believe that's going to happen. So demand is not going to stay low—and I'm now going to sound like I'm defending them. Sometimes I'm their friend too.

With nuclear procurement, you've got to plan these things years ahead. If you don't go ahead with the nuclear and you throw all these eggs into the renewables basket and it doesn't work, if it doesn't give us the capacity we need, if we don't have the reliability that we need to operate in an economy such as Ontario's, and you've squandered this time, then what do you do? What do you do when you're five years into this and it's not going to work and now you've decided not to go ahead with building new reactors? Then what do you do with the demand and the need for electricity in the province of Ontario?

Ms. Cherise Burda: What we're suggesting in our report is simply replacing the equivalent 2,000-megawatt

baseload capacity of the Pickering station. In fact, the report was written and researched before the reduction in demand. It's simply replacing the aging nuclear station with the deployment of green energy. It shows how we can do that and continue to meet the demand that there was before the economic downturn. It's simply a way of creating space for green energy. It's simply 2,000 megawatts that we're talking about. We're not taking on the entire nuclear capacity right now. It's an opportunity to put more eggs in the green basket, rather than have them all in the nuclear basket at this point. So it's creating a little bit more equity on the electricity grid.

The Chair (Mr. David Oraziotti): Mr. Tabuns.

Mr. Peter Tabuns: Cherise, thanks very much for the presentation and for sticking it out until this time of the evening.

Ms. Cherise Burda: You too.

Mr. Peter Tabuns: The drop in demand in Ontario—those are significant drops that you've projected. I think it's important to point out that your notes here say that the drop in demand occurred even before the economy turned down. Can you expand on that a bit?

Ms. Cherise Burda: That's just simply the load forecast; a readjustment was done. That's part of the evidence at the OEB hearings, which has shown that the drop in demand is less than was originally anticipated and planned for in the IPSP. That can be found online under the evidence of the OEB.

Mr. Peter Tabuns: One of the concerns that I have about investment in nuclear power—I have many, but one of them is that if you lock yourself in to those very large plants and the demand doesn't appear, then in fact you have a huge financial burden that you have to carry, as opposed to the modular nature of renewable power or the scalable nature of conservation, where you can adjust far more finely to the real demand that's there. Do you want to speak to that at all?

Ms. Cherise Burda: Yes. I think we're in sort of a perfect storm situation to try this out, because we are facing a low demand at least for another year or two. We are also going to be making a decision this year about what to do with the Pickering B station, and we have a Green Energy Act that says, "Hey, let's get more green energy." So this is a perfect opportunity to create that space on the grid without putting ourselves in an extremely vulnerable situation. In fact, it creates more stability and more flexibility, with a diverse deployment, as you suggest, over time with green energy, which can be more flexible in terms of shutting off if we experience even more low demand.

Mr. Peter Tabuns: Thank you very much.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. That's the time that we have.

ASSOCIATION OF POWER PRODUCERS OF ONTARIO

The Chair (Mr. David Oraziotti): Our next presentation is the Association of Power Producers of Ontario.

Good evening, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions among members. Please state your name for the purposes of our recording Hansard, and you can begin.

Mr. David Butters: Thank you, Mr. Chair. My name is Dave Butters. I'm the president of the Association of Power Producers. I see some friends here on both sides of the House—all sides of the House, actually.

I have distributed copies of our presentation. I've also given you a copy of our latest issue of *Ippso Facto*, which has practically everything you ever wanted to know about the Green Energy Act: the good, bad and the ugly.

I don't think I need to tell you too much about APPRO; I'll skip over that. Suffice it to say that we are the makers of commercial electricity in Ontario. We make about 98% of it. It's our business; it's very important to us.

What I do want to say is that there is no question that Bill 150, which is what we're talking about, is an innovative, forward-looking and potentially game-changing piece of legislation in terms of its impacts. It does propose a bold new framework, implementing a broad series of coordinated actions designed to make it easier to bring renewable energy projects to life and to make Ontario a green energy leader. From the perspective of the developers of large-scale projects, which is generally APPRO members, there are many positive elements in Bill 150.

We applaud the government's vision for a "best in class" renewable energy feed-in tariff. As the details of the FIT emerge, the OPA will need to work through the inevitable obstacles associated with implementing a policy initiative of this scope, and those discussions are ongoing. We're engaged in those with a number of other stakeholders.

One thing that we do need to ensure with regard to the feed-in tariff is that, by providing meaningful incentives under the tariff for new biomass generation facilities, we don't create the unintended consequence of driving up the prices of an already limited biomass supply in the province. You only have to look at the state of our troubled forestry industry to get a sense of that. So the incentive shouldn't come at the expense of existing biomass facilities. We already have those. They shouldn't be forced to close down because they simply can't compete for the limited fuel supply against FIT-funded generators. That's a concern of ours. Nor should we lose sight of the fact that Ontario's experience with competitive procurement is also a well-trying and effective means to get project certainty and low cost and will continue to be necessary for projects outside the FIT envelope.

The bill also takes an impressive step to reduce costly delays for approvals and to provide greater certainty for developers by streamlining the requirements to obtain multiple permits, licences and approvals relating to provincial environmental issues, by reducing duplication and by providing one-stop shopping for renewable energy approvals with a six-month service guarantee. We've talked about these in the past. These are well known.

Together with other amendments which limit the effect of zoning and demolition control requirements, renewable generators, I think, can look forward to getting their projects online faster, with fewer regulatory hurdles and less opportunity for what we would call social friction.

2040

Now, that's the good news, and as I said, I think the act is an important step in a very important direction. I want to look ahead now a little bit and outline some of the issues we think a Green Energy Act will force us to pay attention to.

It is clear that the bill is reshaping and redefining the objectives for Ontario's electricity sector, and it's making them broader. Electricity policy is being used to address environmental, climate-change, health, economic and energy objectives in a more integrated way. This is an entirely legitimate policy direction, but it is a choice with its own set of outcomes, and those outcomes will incur costs not previously borne by the sector or the electricity consumers of Ontario. The impact should not be downplayed.

Our members are pragmatic: They believe that we can achieve an environmentally and economically sustainable electricity sector in Ontario that supports the business interests of electricity generators and which ensures adequacy, reliability and the optimal electricity cost for Ontario consumers. But they also know, probably better than anybody except for the system operator, that Ontario needs a balance between variable green energy and reliable emission-free nuclear and hydro and low-emissions generation such as gas.

To date, Ontario's competitive electricity sector has been fashioned to achieve the most economically efficient electricity system. By that I mean the optimum balance between prices for consumers, reasonable returns for the long-term investment in generation and transmission and the imperatives of reliable system operation.

Our bulk power system is designed for and must operate to meet customer demand in real time, meaning that supply and demand must be constantly and very precisely balanced. This is done by controlling conventional generation to make electricity when needed. But the introduction of more green, and therefore variable, generation will change this paradigm. Unlike our current generation fleet, green fuel sources cannot presently be controlled or stored. For example, wind power, which is the most abundant variable resource in terms of megawatt value today, is just as likely to be running when it's not required as when it is.

Moving Ontario to much greater reliance on intermittent resources such as wind and solar requires that there be extra investment to compensate for this variability. That investment will be on the consumer side—for example, in advanced metering or smart meters; in the way we control the system—for example, in the smart grid and both increased supply and demand management; and through additional facilities, whether that's storage or ramping facilities or new arrangements for existing facilities like our current non-utility generators to make them more flexible and responsive to system needs.

Consequently this new system's overall costs will be higher when compared to the starting point of the existing electricity system. The challenge, as I see it, is that the benefits will be dispersed broadly, extending across many sectors of the economy, across many years and across many important objectives such as global warming, but the costs will be increasingly visible on the electricity bill. The consumer will be purchasing a much broader set of products and benefits than has traditionally been the case: reliability and more variable green energy; cleaner air and Ontario jobs, for example. This is a very different way of doing business, and there needs to be a better understanding that the consumer's bill will increasingly reflect this new way.

The bill also enshrines access as of right to the electricity grid for renewables. This should stimulate renewable investment, as desired. However, an unlimited renewable tariff introduces new uncertainty into the future of existing suppliers. As I already noted, a reliable supply will demand a continuing and important need for some amount of the more controllable and more reliable capability. The province will need to assure existing suppliers of such energy that they will not face an unacceptable investment risk as a result of the priority treatment for renewable energy. To take a real example—this has actually happened quite recently—it would be indeed perverse if new and relatively expensive wind energy displaced low-cost heritage baseload hydro or nuclear energy or, for that matter, high-efficiency combined heat and power.

One of the most significant developments under Bill 150, from a generator's perspective, is the formal recognition that transmission and distribution constraints are a significant obstacle preventing new renewable generation from coming online. This problem has long been an issue for generators, and Bill 150 presents a policy framework designed to address this issue head-on. However, much of the renewable energy potential is in remote locations of the province and will need extensive new transmission to deliver to market. We need to think very carefully about that, how we're going to make that happen faster. It's a challenging issue, and it has the attention of policymakers everywhere, not just here but in the United States as well.

In closing, I want to remark on a few other issues. In reality, it's the regulations that will give substance to the act, and those remain to be developed. Until they come forward, the clarity and certainty that all parties need will be largely missing. In that regard, it would be helpful for the government to ensure that draft regulations emerge in an open and transparent manner which will allow for meaningful input and debate.

The provision to allow regulated local distribution companies, or LDCs, to own and operate generation is of some concern to APPRO. This raises questions of confidentiality, risk management, risk allocation and self-dealing. The current statute permits LDCs to do this, with Ontario Energy Board approval, through their unregulated affiliates, which are governed by the affiliate rela-

tionships code. There were and there continue to be sound policy reasons for the current approach, and we have seen no persuasive evidence that this needs to change.

Finally, we shouldn't accept that this initiative won't be without cost. From the electricity perspective, it will be. That's why we will need the Ontario Energy Board to be as vigilant as it can be on behalf of energy consumers and taxpayers in ensuring that investments are as economically efficient and as prudently incurred as they can be. We also need a realistic handle on the costs: If it can't be measured, it's highly unlikely it can be managed. This is a good reason why the integrated power system plan needs to come back before the OEB as soon as possible.

To conclude, this is a very bold step toward the future. It will change the way we think about the electricity system and its relationship to our society. That's a good thing, and it will force us all to think not just outside the box but indeed beyond it in order to make it all work. The various agencies of the government involved in rolling this out are all working very hard to make that happen if the bill is approved.

We are well served by their efforts, but we can't forget that we're also managing, in real time, a very complex machine every second, every minute of every day, and in some very uncertain and challenging times. I haven't even discussed the impacts and the complexities of impending climate change legislation, but you layer those on top of this and it gets pretty complicated very quickly.

The future is even more uncertain. Industrial demand is down precipitately, and the trends in this area are not very encouraging. The market price for electricity has been declining relative to the overall bill, and this trend is likely to accelerate over the coming years.

On the other hand, we also know that user-initiated conservation and demand management are the cheapest ways to address climate change. We will need a lot of serious thinking and courage to address the price contradiction if we want people and organizations to respond to price signals. We can't afford to overwhelm our agencies with trying to make a Green Energy Act work while failing to address these fundamental issues as well.

Those are my remarks. I'd be very happy to answer your questions. I understand that I'm standing between you and the end of this session. I guess that's the luck of the draw, but I'm sure you want to get out of here quickly.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. I'm sure members have questions. Mr. Yakabuski.

Mr. John Yakabuski: Thank you very much, Dave. And you're right: I'm always happy to see you, but today I'm especially happy to see you because that does mean that the hearings are over for the day.

I really appreciate your very balanced presentation, and I expected nothing less. You touched upon a couple of things that—we all support the improvements and the broadening of green energy. We all understand that. But the government has not been very forthcoming with

respect to the expectations with regard to price. You've talked about that. We know that you can't replace cheaper forms of generation with more expensive forms of generation and have literally no impact on the price. You're talking about an impact on the price. The minister tries to pretend in some fairytale world that it's going to go up by 1% a year as a result of this act. We know that's not true. So I really appreciate you talking about that.

You also talked about the OEB. There's been some concern raised about that. From your perspective, some people feel that this act amounts to the evisceration of the OEB. Ontario consumers need an OEB to be strong for this act to work in their best interests.

Mr. David Butters: I agree with the need for a strong OEB. I think where it will really play an important role is in looking at the efficiency and the prudence of the transmission and distribution, in essence, because without very large investments in that area, we can't actually achieve our green energy objectives. That will be a limiting factor: how much we can invest, and how quickly, in transmission and distribution. So we'll need the OEB to be vigilant and to be testing all of the assumptions that are being made, whether it's by Hydro One or Toronto Hydro—whichever it is—and to make sure that those costs are being prudently incurred in going into the rate base, because consumers will have to pay for that at the end of the day. There's no escaping that fact. They can talk about cost allocation, but somebody has to pay for it, and it will be consumers.

Mr. John Yakabuski: Thank you very much.

The Chair (Mr. David Orazietti): Thank you. Mr. Tabuns.

Mr. Peter Tabuns: David, thanks for the presentation and thanks for hanging in until the end. Load demand, load projections: What do you see over the next five to 10 years in Ontario?

Mr. David Butters: That is a very good question. If I had the answer to that, I could probably be the finance minister and be very successful.

Here it is in a nutshell: What we've seen is, primary industrial demand has been declining for some period of time. It has taken a real nosedive over the past couple of quarters. Residential, small business and commercial enterprise demand has stayed pretty much the same—it has actually increased a little bit. So I think what we're going to see, once we get out of the recession, is some pickup in that primary demand; how far up is anybody's question. We'll continue to see growth in the commercial and residential sides. What we're going to get, probably, is a system that's more peaky, that has more volatility in it, and that's going to be part of the challenge for the system operator to manage that volatility, because solar's there during the day and it frequently is there during peak hours, but you can't count on it. Wind is 50-50 on-peak, off-peak, and only 30% of the time. It's great stuff, but—so managing that volatility is going to be a real challenge for the IESO. That's probably where we're going to need more ramping capability, and we'll probably see a lot more gas, ultimately.

The Chair (Mr. David Oraziotti): Thank you. Ms. Mitchell?

Mrs. Carol Mitchell: Thank you very much for a very thoughtful presentation. I just have to make the comment—and the lovely picture of me, which I'm sure you knew was here.

Interjection.

Mrs. Carol Mitchell: Yes, thank you.

You've made some comments about conservation and demand management, and you see that, obviously, we as a government see that as a very critical tool. What can we do to expand on both conservation and demand management, in your mind and your vast experience, to ensure that they are tools that are maximized?

Mr. David Butters: They're an important part of the picture, and we understand that and we agree with that. But as I said, if the energy price continues to decline relative to the overall bill, the so-called global adjustment—that is the part that you get after the fact—it becomes very hard for people to respond and to see those signals. So I think that if we want conservation and demand management to be really successful, we have to get more of those costs that are going into the so-called uplift into the energy price. That's very tricky. We've got a very complex market, with contracts and not-contracts. There are a lot of smart people trying to figure out how to

do that, but if we aren't successful in that, it's hard to see how people are going to be incented.

I've talked to industrial customers about load-shifting. What they're saying right now is, "It's not worth my while to load-shift because prices are low, I can't hedge the global adjustment part of it, and therefore it doesn't matter whether I'm running at 5 o'clock in the afternoon or 3 o'clock in the morning." If prices reflected that, they might do that. So this is the contradiction that we have to solve in all of this.

Mrs. Carol Mitchell: Yes, we heard from—

The Chair (Mr. David Oraziotti): Okay, thank you. That's time for questions. We appreciate you coming in this evening and appreciate your presentation.

Mr. David Butters: My pleasure.

The Chair (Mr. David Oraziotti): Before we leave, for the purposes of the subcommittee report that was agreed to by members, for administrative purposes, proposed amendments must be filed with the committee clerk by noon on Friday, April 24, and the committee will meet for the purpose of clause-by-clause consideration on Monday at 2 p.m. on April 27 and on Wednesday, April 29 from 4 to 6, if necessary.

That concludes the public hearings. We're adjourned.

The committee adjourned at 2053.

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Oraziatti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Oraziatti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Ms. Laurel C. Broten (Etobicoke–Lakeshore L)

Mr. Bob Delaney (Mississauga–Streetsville L)

Mr. Phil McNeely (Ottawa–Orléans L)

Mr. Peter Tabuns (Toronto–Danforth ND)

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke PC)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. Jerry Richmond, research officer,
Research and Information Services

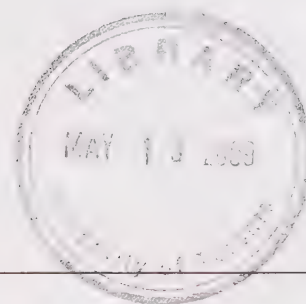
CONTENTS

Wednesday 22 April 2009

Green Energy and Green Economy Act, 2009, Bill 150, <i>Mr. Smitherman</i> / Loi de 2009 sur l'énergie verte et l'économie verte, projet de loi 150, <i>M. Smitherman</i>.....	G-651
Toronto Environmental Alliance Mr. Franz Hartmann	G-651
Canadian Federation of Independent Business Ms. Judith Andrew; Mr. Satinder Chera	G-653
Ontario Real Estate Association Ms. Pauline Auger; Mr. Jim Flood	G-655
Consumers Council of Canada Mr. Bill Huzar; Mr. Robert Warren	G-658
Enbridge Gas Distribution..... Ms. Debbie Boukydis; Mr. Trevor MacLean	G-660
Law Society of Upper Canada..... Mr. Derry Millar	G-663
Dr. Robert McMurtry	G-664
Association of Major Power Consumers in Ontario..... Mr. Adam White	G-666
Agri-Energy Producers Association of Ontario Ms. Nicole Foss	G-669
City of Mississauga..... Ms. Mary Ellen Bench	G-671
Summerhill Group..... Ms. Stephanie Thorson	G-673
Federation of Rental-housing Providers of Ontario Mr. Mike Chopowick	G-675
Social Investment Organization..... Mr. Eugene Ellmen	G-677
Sustainable Buildings Canada Mr. Bob Bach	G-679
Pembina Institute–Toronto branch..... Ms. Cherise Burda	G-681
Association of Power Producers of Ontario..... Mr. David Butters	G-683

CA20N
XC16
- G23

Gouvernement
Publication



G-27

G-27

ISSN 1180-5218

Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Monday 27 April 2009

Journal des débats (Hansard)

Lundi 27 avril 2009

Standing Committee on General Government

Green Energy and Green
Economy Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 sur l'énergie verte
et l'économie verte

Chair: David Oraziotti
Clerk: Trevor Day

Président : David Oraziotti
Greffier : Trevor Day

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Monday 27 April 2009

Lundi 27 avril 2009

*The committee met at 1417 in room 151.*GREEN ENERGY AND GREEN
ECONOMY ACT, 2009LOI DE 2009 SUR L'ÉNERGIE VERTE
ET L'ÉCONOMIE VERTE

Consideration of Bill 150, An Act to enact the Green Energy Act, 2009 and to build a green economy, to repeal the Energy Conservation Leadership Act, 2006 and the Energy Efficiency Act and to amend other statutes / Projet de loi 150, Loi édictant la Loi de 2009 sur l'énergie verte et visant à développer une économie verte, abrogeant la Loi de 2006 sur le leadership en matière de conservation de l'énergie et la Loi sur le rendement énergétique et modifiant d'autres lois.

The Chair (Mr. David Oraziotti): Okay, everyone, we'll call the committee to order.

We're here for clause-by-clause. I'd ask that the committee stand down sections 1, 2 and 3 until we deal with the amendments to the schedules, and then we'll go back and deal with those sections. If we have agreement from the committee, we'll start with the first amendment. Mr. Tabuns?

Mr. Peter Tabuns: Could you explain again—sorry—what you mean by that, Mr. Chair?

The Chair (Mr. David Oraziotti): We want to deal with the amendments before we pass the sections. We need to stand down sections 1, 2 and 3 and move right to the amendments. We'll come back and deal with those sections once we've agreed on what amendments will be carried or not. Okay?

Mr. Peter Tabuns: That's clear, Chair.

Mr. John Yakabuski: Starting at?

The Chair (Mr. David Oraziotti): We'll start with schedule A, section 1. The first proposed amendment is NDP motion number 1. Mr. Tabuns, I'll just ask you to read the motion and then we can have debate on that.

Mr. Peter Tabuns: I move that subsection 1(1) of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following definitions:

“‘green energy’ means energy derived from a renewable energy source or from a generation facility that is a high-efficiency heat and power facility;

“‘high-efficiency heat and power facility’ means a generation facility that uses high-efficiency technology to produce power and thermal energy from a single source

and that achieves a minimum average efficiency of 6,000 British thermal units per kilowatt hour but does not include a generation facility that uses garbage or refuse-derived fuel.”

The Chair (Mr. David Oraziotti): Mr. Tabuns, go ahead if you want to explain the amendment.

Mr. Peter Tabuns: Very simply, the intent here is to make sure that combined heat and power are included in this bill, and at the same time that the burning of waste to generate heat and power is excluded. I don't think that waste can be considered a renewable resource. The first definition is to put CHP in and the second is to exclude waste.

The Chair (Mr. David Oraziotti): Further debate? Ms. Broten.

Ms. Laurel C. Broten: We will not be accepting this amendment. The focus of the Green Energy Act is with respect to renewable energy generation. However, the aspects being advanced are important to us, and the minister has committed to reviewing future policy opportunities to address energy technologies, including geothermal, solar thermal, combined heat and power, and small-scale wind, in addition to the fact that we have currently the ability to define in regulation what each type of renewable energy would consist of.

The Chair (Mr. David Oraziotti): Further debate? Mr. Tabuns.

Mr. Peter Tabuns: I think it's important for the government to put combined heat and power into the legislation at this point. One can't assume that a government, even one committed to the bill that's before us, will be there forever, and frankly, it's to your advantage to have that defined.

Secondly, I think it should be very clear that refuse-derived waste and garbage incineration should not be considered as renewable technologies and there's constantly pressure to do so.

The Chair (Mr. David Oraziotti): Further debate? A motion is on the floor.

Mr. Peter Tabuns: A recorded vote, please.

Ayes

Tabuns.

Nays

Bailey, Broten, Jeffrey, Kular, Mitchell, Rinaldi, Yakabuski.

The Chair (Mr. David Oraziotti): The amendment is lost.

Mr. Peter Tabuns: There's room to grow, Mr. Chair.

The Chair (Mr. David Oraziotti): Government motion number 2: Ms. Broten?

Ms. Laurel C. Broten: I move that subsection 1(1) of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following definitions:

“‘distribution system’ has the same meaning as in the Electricity Act, 1998; (‘F’)

“‘renewable energy testing facility’ means devices or structures to be used to gather information about natural conditions at the location of the structures or devices and related infrastructure and that meet such criteria as may be prescribed by the regulations; (‘F’)

“‘renewable energy testing project’ means the construction, installation, use, operation, changing or retiring of a renewable energy testing facility; (‘F’)

“‘transmission system’ has the same meaning as in the Electricity Act, 1998. (‘F’).”

The Chair (Mr. David Oraziotti): Go ahead if you want to speak to the motion.

Ms. Laurel C. Broten: The addition of the definitions of “distribution system” and “transmission system” are provided to support the basic interpretation of the act, including to support its practical and technical implementation and application.

The terms “transmission system” and “distribution system” are important to the interpretation of the definitions for “renewable energy generation facility,” “renewable energy project” and “renewable energy source,” and adding these terms to the act ensures that all essential terms relating to the transmission, distribution and generation of electricity appear in the GEA.

The addition of the definitions of “renewable energy testing facility” and “renewable energy testing project” is one of a series of amendments that will ensure that testing facilities are subject to the same approvals processes as the facilities themselves. This addresses an issue raised at committee.

The Chair (Mr. David Oraziotti): Further debate? Seeing none, all in favour of the motion? Opposed? Carried.

NDP motion number 3: Mr. Tabuns.

Mr. Peter Tabuns: I move that subsection 1(1) of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by striking out the definition of “renewable energy source” and substituting the following:

“‘renewable energy source’ means an energy source that is renewed by natural processes and includes wind, water, biomass, biogas, biofuel, solar energy, geothermal energy, tidal forces and such other energy sources as may be prescribed by the regulations, but does not include incineration of synthetic gas from municipal solid waste; (‘source d’énergie renouvelable’).”

The Chair (Mr. David Oraziotti): Further comment, Mr. Tabuns?

Mr. Peter Tabuns: I think it's important that we close off avenues for people who are interested in using waste

to generate electricity. It was very clear in the presentations that were made in Ottawa by Mr. Rod Bryden of Plasco that he has been talking to the ministry. He is interested in producing syn gas from municipal solid waste to create electricity.

The use of municipal solid waste to create electricity undermines efforts to reduce waste and to recycle. It gives an economic incentive to companies to make sure that there is raw material for them to process and turn into fuel. I think that's a substantial mistake. You never recover as much in burning waste as you could save by reduction, reuse and recycling. I think we should be very clear that this is not a direction that the ministry will support and that this law will support.

The Chair (Mr. David Oraziotti): Further comment?

Ms. Laurel C. Broten: The government will not be accepting this motion. Energy from waste is not considered a form of renewable energy, and this will be further clarified through regulation, and accordingly, the amendment is not necessary.

Mr. Peter Tabuns: Just to be clear, then, the comments that were made in Ottawa by Plasco, that they've been talking with the ministry about using syngas to make electricity and selling it under the cover of this bill, is not on the table and there's not a prospect here for him to be selling power made with syngas.

The Chair (Mr. David Oraziotti): Further comment?

Ms. Laurel C. Broten: As I said, Chair, energy from waste is not considered a form of renewable energy, and there will be further clarification through regulation.

Mr. Peter Tabuns: Recorded vote.

The Chair (Mr. David Oraziotti): A recorded vote has been called for.

Ayes

Tabuns.

Nays

Bailey, Broten, Jeffrey, Kular, Mitchell, Rinaldi, Yakabuski.

The Chair (Mr. David Oraziotti): The motion is lost. Government motion 4: Ms. Broten.

Ms. Laurel C. Broten: I move that the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following section:

“Administration, community consultation

“1.1 This act shall be administered in a manner that promotes community consultation.”

This amendment requires that the Green Energy Act be administered in a manner that promotes community consultation. As provisions of the act are implemented, the Ministry of Energy and Infrastructure will consider and provide for opportunities for community consultation.

The amendment responds to several deputations before the committee that have indicated interest in stronger opportunities for public and local input—

Interjection.

The Chair (Mr. David Orazietti): Government motion 4. Ms. Broten, do you have that?

Ms. Laurel C. Broten: I do. Thank you very much, Chair.

I move that the definition of “technologies” in subsection 1(1) of the Green Energy Act, 2009, as set out in schedule A to the bill, be struck out.

The term “technologies” is being deleted in order to provide enhanced flexibility to define this term in the future by means of regulation. Matters relating to technology will require further refinement that may be addressed through regulations made under subsection 17(4).

The Chair (Mr. David Orazietti): Further comment?

Seeing none, all those in favour? Opposed? The motion is carried.

Government motion 5: Ms. Broten.

The Clerk of the Committee (Mr. Trevor Day): No, no.

Mr. Peter Tabuns: We have a 4.1.

Mr. John Yakabuski: I don't have a 4.1.

The Clerk of the Committee (Mr. Trevor Day): It's a small package that was handed out at the last minute.

The Chair (Mr. David Orazietti): Government motion 4.1.

Ms. Laurel C. Broten: Government motion 4.1 is not being moved.

The Clerk of the Committee (Mr. Trevor Day): Government motion 4.1 is not being moved?

The Chair (Mr. David Orazietti): It's being withdrawn?

The Clerk of the Committee (Mr. Trevor Day): No, it's not moved. Now it's 5.

Ms. Laurel C. Broten: Government motion 5.

The Chair (Mr. David Orazietti): Committee, shall schedule A, section 1, as amended, carry? All those in favour? Opposed? Carried.

A new section, schedule A, section 1.1, government motion 5: Ms. Broten.

Ms. Laurel C. Broten: I move that the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following section:

“Administration, community consultation

“1.1 This act shall be administered in a manner that promotes community consultation.”

The amendment will require that the Green Energy Act be administered in a manner that promotes community consultation. As provisions of the act are implemented, the Ministry of Energy and Infrastructure will consider and provide for opportunities for community consultation.

The amendment responds to several deputations before the committee where indications of interest were advanced with respect to stronger opportunities for public and local input.

1430

The Chair (Mr. David Orazietti): Further debate or comment?

Mr. John Yakabuski: Is this an addition? We just did schedule A.

The Chair (Mr. David Orazietti): It's a new section: schedule A, section 1.1. It's a government motion. It would go between sections 1 and 2. So a new section, single motion, government motion 5.

Mr. John Yakabuski: So this is an addition, then?

The Chair (Mr. David Orazietti): New section.

Mr. John Yakabuski: Adding the following section?

The Chair (Mr. David Orazietti): Right, new section.

Further debate? Seeing none, all those in favour? Opposed? The motion is carried.

Schedule A, section 2. This is Conservative motion 5.1. Mr. Yakabuski or Mr. Bailey.

Mr. John Yakabuski: Oh, ours weren't put in the pile here. Oh, my goodness.

I move that section 2 of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended

“(a) by striking out ‘or to lease, for a term in excess of the prescribed period,’ in the portion before clause (a) in subsection (1); and

“(b) by striking out ‘or to lease’ at the end of subsection (3).”

The Chair (Mr. David Orazietti): Further comment, Mr. Yakabuski, if you want to explain the motion.

Mr. John Yakabuski: I'll get to that in a second, Chair. I'm looking for my amendments.

This amendment would remove the requirement for an energy audit when leasing a property. I'm not sure if the government has an amendment to deal with this at another part.

Ms. Laurel C. Broten: Chair—

The Chair (Mr. David Orazietti): Ms. Broten, go ahead. Do you want to respond?

Ms. Laurel C. Broten: Although the government agrees with the policy direction of this proposed amendment, government amendment 6R speaks to the identical issue with respect to leased properties. If there was a mechanism to deal with that one in advance, it might be appropriate.

The Chair (Mr. David Orazietti): Okay. Further comment?

Mr. John Yakabuski: Where is that, Ms. Broten? Which motion number?

Ms. Laurel C. Broten: That's 6R.

The Chair (Mr. David Orazietti): Government motion 6R. It's a smaller, separate package that was provided to members. It says “6R” in the top right corner.

Conservative motion 5.1 is on the floor—

Mr. John Yakabuski: Yes, we might as well rule, because I don't think it said anything about leased property in there.

The Chair (Mr. David Orazietti): Further debate on 5.1? Ms. Broten.

Ms. Laurel C. Broten: As I said, the government agrees with the policy direction of the proposed amendment, but we will be introducing our own motion, 6R, which also removes the reference to leased properties in

the newly defined provision that we will be bringing forward in 6R.

The Chair (Mr. David Oraziotti): Further comment on 5.1? Seeing none, all those in favour of Conservative motion 5.1? Opposed? The motion is lost.

Government motion 6R. Ms. Broten.

Ms. Laurel C. Broten: I move that section 2 of the Green Energy Act, 2009, as set out in schedule A to the bill, be struck out and the following substituted:

“Mandatory home efficiency disclosure

“(1) A person making an offer to purchase an interest in real property has the right to receive from the person offering to sell the property such information, reports or ratings as are prescribed,

“(a) relating to energy consumption and efficiency with respect to a prescribed residence on the property or a class of prescribed residences on the property; and

“(b) in such circumstances and at such times as are prescribed and in such manner as is prescribed.

“Provision before accepting offer

“(2) The person offering to sell the property shall, in accordance with subsection (1), provide the information, reports or ratings to the person making the offer to purchase before accepting that person’s offer.

“Waiver

“(3) Subsections (1) and (2) do not apply where the person making the offer waives, in writing, the provision and receipt of the information, reports or ratings.

“Agent

“(4) A person acting as an agent on behalf of the person offering to sell shall inform that person promptly of any request for the information, reports or ratings.

“Same

“(5) Subsection (5) applies only to agents acting for or in anticipation of receiving valuable consideration with respect to the offer to sell.

“Make available

“(6) In this section, the obligation to provide information, reports or ratings is satisfied where the person offering to sell makes the information, reports or ratings reasonably available to the person making the offer to purchase.”

The Chair (Mr. David Oraziotti): Just for clarification purposes here, this replaces government motion 6.

Ms. Laurel C. Broten: Yes.

The Chair (Mr. David Oraziotti): Okay. So 6R—if you want to make any further comment on that?

Ms. Laurel C. Broten: Yes.

The Chair (Mr. David Oraziotti): Go ahead.

Ms. Laurel C. Broten: The motion replaces the requirement made of the seller to make information reports or ratings related to the energy efficiency of the home available to any prospective homebuyer, with a new requirement that a seller must provide to the prospective homebuyer, only upon receiving an offer to buy, this same information. The requirement can be waived by mutual consent on the basis of a written document noting such consent. The motion results in the mandatory re-

quirement to provide energy-efficiency information being made more flexible by allowing both parties to opt out.

The Chair (Mr. David Oraziotti): Further comment?

Mr. John Yakabuski: We have a suggestion that we just remove that section from the bill. We’ll be doing that as a notice, because all they’re doing here is really nullifying the section. The minister just doesn’t want to admit how wrong he was, so he’s trying to fudge all around it. But the reality is that it has now become a voluntary process, which it was before the bill was ever enacted. If he just wanted to do the right thing, he’d just simply remove the section with regard to energy audits and we’d move on from there, but he has a tough time admitting that he blew this one.

The Chair (Mr. David Oraziotti): Further comment?

Ms. Laurel C. Broten: I disagree with the characterization being advanced by Mr. Yakabuski. In effect, there’s now a two-part requirement: The seller must provide the prescribed information if requested by a potential purchaser, and even if not requested, the seller cannot accept an offer unless the information is disclosed, unless the buyer opts out. Essentially, the buyer can opt out if the audit is not desired. For example, initiatives that we heard before committee with respect to major renovations or a contemplated demolition—it’s also the commitment for a regulation that will focus the initiative on principal residences and single-family homes and an assurance that the audit will be transferable.

The Chair (Mr. David Oraziotti): Any further comment?

Mr. John Yakabuski: Those are the current circumstances. The buyer can request an energy audit today, just like they can request a home inspection or, in the case of a rural place like where I live, a septic inspection or any of those kinds of things, which the seller must provide if they want to proceed with the sale of the home. So as I say, we’re just jiggling the wording here to get around the fact that it was a bad idea in the first place, and if we just removed the whole section, we’d actually accomplish what we’re doing here without having to create more paper, more laws.

The Chair (Mr. David Oraziotti): Any further comment or debate? Seeing none, all those in favour of government motion 6R? Opposed? The motion is carried.

The next item is Conservative notice 6.1. Would you like to speak to this section?

Mr. John Yakabuski: Well, we know where this one’s going.

The Chair (Mr. David Oraziotti): You don’t need to read it in, but if you’d like to speak to it, you can just speak to the section. You don’t need to read this in.

Mr. John Yakabuski: Again, we’re filing a notice that we simply remove this section of the bill, because once the government decided that the energy audits would be voluntary as opposed to mandatory and that the purchaser could opt out of them—quite frankly, the seller was never going to be offering them; it was only going to be at the request of the purchaser. So it really renders the section of the bill moot, so our position was that we

should simply remove that section. I don't think I'm going to get the support of the government caucus on this one.

1440

The Chair (Mr. David Oraziotti): Any further debate on notice 6.1? Ms. Broten.

Ms. Laurel C. Broten: Obviously, the government rejects the recommendations. It's inconsistent with the government's desire to build a culture of conservation, to enable disclosure of energy efficiency to potential homeowners who wish to know the energy efficiency of properties that they offer to buy. The characterization of the status quo is inaccurate in this instance. Under the new legislation, the buyer will have access to that information unless there is an opt-out by both parties, mutual consent on the basis of a written document noting such consent.

The Chair (Mr. David Oraziotti): Members, we're voting on schedule A, section 2, as amended. Shall section 2, as amended, carry? All those in favour?

Mr. John Yakabuski: Do we get to vote on the motion?

The Chair (Mr. David Oraziotti): It's included in the schedule, so we're not voting on it individually. Again, all those in favour of schedule A, section 2, as amended? Shall it carry? All those in favour? Opposed? The section, as amended, is carried.

Conservative motion 6.2. Mr. Yakabuski.

Mr. John Yakabuski: I move that section 3 of the Green Energy Act, as set out in schedule A to the bill, be amended by adding the following subsection:

"Rental housing

"(5) Despite subsection (4), the Lieutenant Governor in Council may, by regulation, designate goods, services and technologies in order to promote energy conservation in respect of rental housing despite a restriction imposed by an act or regulation, including a restriction imposed under the Residential Tenancies Act, 2006."

This basically deals with sub-metering in apartments, where we believe that if you're truly concerned about conservation, everybody should be paying for the energy they use, not what the building uses as a whole. That was stated quite eloquently by Mr. Chopowick when he spoke on behalf of the providers of rental housing: If you're only going to take the entire bill and chop it up, no pun intended, equally among all users, you're not accomplishing the goal of energy conservation. If each individual tenant in the building was responsible for his or her hydro, that would in fact improve the energy conservation intent that we hear is supposed to be a big part of this bill.

Also, it would allow us to identify units in which possible illegal activity was going on, because it would clearly show that the electricity use in those units was much higher than the average. We've seen that in grow-ops throughout the province, where they use a rental unit to grow their marijuana and stuff. Unless you've got a sub-meter, it's very hard to be sure. All you see is that the hydro use of the building is known but not of each individual unit. That's why we're proposing that. We

truly believe that if you support conservation and reduction in the use of energy and the waste of energy and reduction in greenhouse gases, each tenant should be metered, where possible, for their energy use.

The Chair (Mr. David Oraziotti): Further comment? Mr. Tabuns.

Mr. Peter Tabuns: I'm not going to spend a lot of time on this, but I do want to get it on the record that there's a huge problem when you have a division of responsibility for the state of a building and its ability to conserve energy and the allocation of payment of energy bills to a tenant. When I was at the city of Toronto as a councillor, we were trying to promote conservation in commercial buildings and we constantly ran into this problem, that the people who own the buildings didn't pay the energy bills; they were paid by the tenants. The tenants didn't own the building and didn't have the money or interest in investing in the building to reduce its energy consumption and thus, we had gridlock, except for some very limited applications.

So what's being proposed is going to be hugely problematic in the residential tenancy area. Tenants are not going to upgrade the windows so they're triple-paned; they can't afford that. They are not going to put insulation in the walls. If you have the tenants pay for the energy then the landlords have no incentive whatsoever to actually make the investments necessary to substantially reduce energy consumption. You have to have that investment first. Until a very large-scale program of energy, conservation retrofits is put in place in this province, this amendment will be counterproductive.

The Chair (Mr. David Oraziotti): Further comment? Ms. Broten?

Ms. Laurel C. Broten: The government rejects the recommendation. The RTA currently has unproclaimed sections that deal with the implementation of smart metering in residential rental buildings. Once proclaimed, these sections and the associated regulations will facilitate the implementation of smart metering in rental buildings.

The Chair (Mr. David Oraziotti): Any further comment? Conservative motion 6.2: All those in favour?

Mr. Peter Tabuns: Recorded vote.

Ayes

Bailey, Yakabuski.

Nays

Broten, Jeffrey, Kular, Mitchell, Rinaldi, Tabuns.

The Chair (Mr. David Oraziotti): The motion is lost. Schedule A, section 3: Shall it carry? All those in favour? Carried.

Government motion 7, Ms. Broten?

Ms. Laurel C. Broten: Ms. Mitchell's going to read for a moment.

Mrs. Carol Mitchell: I move that section 4 of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended

(a) by striking out “or renewable energy sources” in the portion of subsection (1) before paragraph 1 and substituting “renewable energy sources or renewable energy testing projects”;

(b) by striking out “permitted to undertake” in subsection (2) and substituting “permitted to engage in”;

(c) by striking out “or a designated renewable energy source” in subsection (2) and substituting “a designated renewable energy source or a designated renewable energy testing project”; and

(d) by striking out “or a designated renewable energy source” in subsection (3) and substituting “a designated renewable energy source or a designated renewable energy testing project.”

The Chair (Mr. David Oraziotti): Ms. Broten, comment?

Ms. Laurel C. Broten: This is one of a series of amendments that would ensure that testing facilities are subject to the same approvals processes as the facilities themselves. For example, these amendments—if not approved, then a wind testing tower on crown land would be subject to an environmental assessment process even though the proposed facility itself would be subject to the new environmental permit regime. This amendment ensures that renewable energy testing projects will also be subject to the new environmental permit regime.

The Chair (Mr. David Oraziotti): Further comment or debate? All those in favour of government motion 7? Carried.

NDP motion 8: Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that section 4 of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following subsection:

“Same

“(5) Subsections (2) and (3) do not apply with respect to a restriction imposed under the development permit system established under the Niagara Escarpment Planning and Development Act.”

I want to say very briefly that there is good reason to locate renewable energy installations as broadly as possible in the province, but there are areas that will have to be protected: the Niagara Escarpment and, further in this package, other amendments around biosphere reserves. There are some that should be protected from development even if, in my eyes, it's a positive development. This would allow the Niagara Escarpment Commission to continue to provide permits and oversee development in the area that they're responsible for.

1450

The Chair (Mr. David Oraziotti): Further comment? Ms. Broten.

Ms. Laurel C. Broten: The government will not be supporting this amendment. We've been clear that existing laws, such as the Niagara Escarpment act, will continue to apply. The government will ensure the protection of public health and safety and the natural environment

through the new streamlined approval process and existing protection in the Niagara Escarpment plan.

The Chair (Mr. David Oraziotti): Further comment?

Mr. Peter Tabuns: Recorded vote.

Ayes

Bailey, Tabuns, Yakabuski.

Nays

Broten, Jeffrey, Kular, Mitchell, Rinaldi.

The Chair (Mr. David Oraziotti): The motion is lost. Conservative motion 8.1: Mr. Yakabuski, go ahead.

Mr. John Yakabuski: I move that section 4 of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following subsection:

“Same, fish and wildlife protection

“(5) For greater certainty, subsections (2) and (3) do not apply with respect to a restriction imposed by an act or regulation or by an instrument for the protection of fish or wildlife.”

Bill 150 should be harmonized with existing successful conservation legislation so that it cannot trump fish and wildlife protection. Section 4 permits the Lieutenant Governor in Council to designate renewable energy projects or renewable energy sources for the following purposes: to assist in the removal of barriers to and to promote opportunities for the use of renewable energy sources, and to promote access to transmission systems and distribution systems for proponents of renewable energy projects.

This amendment exempts protection of fish and wildlife from:

“Effect of designation

“(2) A person is permitted to undertake activities with respect to a designated renewable energy project or a designated renewable energy source in such circumstances as may be prescribed, despite any restriction imposed at law that would otherwise prevent or restrict the activity, including a restriction established by a municipal bylaw, a condominium bylaw, an encumbrance on real property or an agreement....

“(3) A restriction imposed at law that would otherwise prevent or restrict an activity with respect to a designated renewable energy project or a designated renewable energy source is inoperative to the extent that it would otherwise prevent or restrict the activity.”

The Chair (Mr. David Oraziotti): Further debate? Ms. Broten?

Ms. Laurel C. Broten: Sorry, Chair, are we on—

Mr. Lou Rinaldi: Motion 8.1.

Ms. Laurel C. Broten: —8.1?

The Chair (Mr. David Oraziotti): Correct.

Ms. Laurel C. Broten: All right. The government rejects the motion. The proposed Green Energy Act clearly establishes that subsections 4(2) and (3) do not apply with respect to a restriction imposed by an act or regu-

lation. This existing restriction would include all existing acts or regulations for the protection of fish and wildlife, and the inclusion of this subsection, accordingly, would not serve any specific purpose.

The Chair (Mr. David Oraziotti): Further debate? Further comment? Mr. Tabuns? Okay.

Mr. John Yakabuski: Recorded vote.

Ayes

Bailey, Yakabuski.

Nays

Broten, Jeffrey, Kular, Mitchell, Rinaldi, Tabuns.

The Chair (Mr. David Oraziotti): The motion is lost. NDP motion 9: Mr. Tabuns.

Mr. Peter Tabuns: I move that section 4 of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following subsection:

“Same, biosphere reserves

“(6) Subsections (2) and (3) do not apply to lands in Ontario designated as biosphere reserves.”

Again, following on the resolution to protect the Niagara Escarpment Commission, there are areas in particular that should be noted as being exempt from development, given prior commitments to biological preservation, and biosphere reserves in particular deserve that protection. I call on the government to support this resolution.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: The government will not be supporting this amendment. With respect to the earlier amendment, we've been clear that existing laws, such as the Niagara Escarpment act, will continue to apply. The government will ensure the protection of public health and safety and the natural environment through the new streamlined approval process and existing protection in provincial plans, such as the Niagara Escarpment plan.

The Chair (Mr. David Oraziotti): Further debate or comment?

NDP motion 9: All those in favour?

Mr. Peter Tabuns: Recorded vote.

Ayes

Tabuns.

Nays

Broten, Jeffrey, Kular, Mitchell, Rinaldi.

The Chair (Mr. David Oraziotti): The motion is lost. Shall schedule A, section 4, as amended, carry? Carried.

The new section the NDP is proposing, motion number 10: Mr. Tabuns.

Mr. Peter Tabuns: I move that the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following section:

“Specific rules re condominiums, agreements

“4.1(1) Subsection 112(1) of the Condominium Act, 1998 does not apply to the following types of agreements:

“1. Loans to a condominium corporation or to whom-ever the condominium corporation has directed that have been fully advanced and that facilitate and promote environmentally friendly and energy-efficient projects or that promote the development of renewable energy sources for new or existing condominiums.

“2. Agreements, easements or leases involving the development of green energy systems for a condominium corporation, including the provision of equipment, labour, materials, supplies and services with respect to a green energy system, that are entered into by a condominium corporation.

“3. Agreements entered into by a condominium corporation pursuant to a municipal program to facilitate the development of energy conservation and the use of renewable energy.

“Same, enforcement

“(2) Sections 130, 131 and 134 of the Condominium Act, 1998 apply, with necessary modifications, with respect to the agreements referred to in subsection (1), and any party to such an agreement is deemed to be a person who can make an application under those sections.”

There's an ongoing problem with providing financing for energy-efficiency improvements to condominium buildings. Because the Condominium Act allows boards of newly created condominiums to cancel contracts that have been set up prior to their coming to power, there is disinterest in providing financing for energy efficiency or renewable energy in condominium corporations. This would allow those investments to go ahead with some security that, in fact, loans would be repaid. It's critical, if we're actually going to get these buildings to be as efficient as they need to be.

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: From the government perspective, we don't disagree with the intent of what is being advanced. We have been clear that we want to encourage more renewable energy in Ontario. We do have concerns and are unable to support the amendment at this time because not all stakeholders in this sector have been consulted and concerns have been raised in a motion that undertakes consequential amendments with potential for unintended impacts. We believe it requires broader consultation to fully understand the implications of such changes. We think it is something that we should consider in the future upon appropriate and more extensive stakeholder consultation.

The Chair (Mr. David Oraziotti): Further debate or comment? Mr. Tabuns.

Mr. Peter Tabuns: I'll just say that if you're actually going to have substantial investment in energy efficiency, given that condominium buildings are going up even in a

recession—construction seems to be continuing on—you need to put in place a change that will allow investment to happen.

I understand the argument that the government is making on this, but to not pass this amendment will substantially reduce opportunities for energy efficiency that will be very difficult to capture in the future. I would urge the government, notwithstanding the argument made, to support this amendment.

The Chair (Mr. David Oraziotti): Further comment?
NDP motion number 10—

Mr. Peter Tabuns: Recorded vote.

Ayes

Tabuns.

Nays

Broten, Jeffrey, Kular, Mitchell, Rinaldi.

The Chair (Mr. David Oraziotti): The motion is lost and so is the section.

Conservative motion 10.1: Mr. Yakabuski.

1500

Mr. John Yakabuski: I move that the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following section:

“Electricity from wind, epidemiological study

“4.1(1) Despite section 4, no renewable energy projects or renewable energy sources that involve a renewable energy generation facility that generates electricity from wind shall be designated until after there has been an independent epidemiological study of the health effects of generating electricity from wind.

“Peer review and safe setbacks

“(2) The independent epidemiological study of the health effects of generating electricity from wind shall be peer-reviewed and, without limiting the generality of the study, shall consider safe setbacks for renewable energy generation facilities that generate electricity from wind.”

This amendment would require an epidemiological study of the health effects of industrial wind turbines. We’ve heard that request made at various points in our committee hearings. Just a few short months ago, the minister basically called these people “quacks,” and now he has already talked about instituting an academic chair with the Ministry of the Environment to study it.

What we’re saying is that we need to do this study so that we can settle this issue once and for all. The people who have come before this committee asking for it have agreed to be bound by the findings of an independent, mutually agreed-to third party. This is something that I think the government would be wise to move on with and deal with the issue as expeditiously as possible.

The Chair (Mr. David Oraziotti): Further debate?
Ms. Broten.

Ms. Laurel C. Broten: Under the proposed Green Energy and Green Economy Act, we will be developing

improvements to the environmental approval process for renewable energy projects that will be protective of human health and the environment.

As has been said, since the introduction of the bill we have heard Ontarians’ concerns about the health impacts related to renewable energy, particularly wind turbines, and we’re listening. We’re taking several steps immediately to ensure this proposed legislation responds to what we have heard.

We will be bringing forward an amendment to the proposed legislation relating to the grounds for a third party appeal before the Environmental Review Tribunal. Some people raised concerns that the grounds specifically restricted appeals on the basis of health concerns, and as that was not our intention, we will be adjusting the proposed legislation accordingly.

If the bill is passed, the Ministry of the Environment will be bringing forward regulations setting out requirements that renewable projects will have to meet in order to get an approval, and this is anticipated to include a series of setbacks for wind turbines based on noise, including a minimum setback. This will provide certainty to those in proximity to a project—a requirement to ensure no perceptible low-frequency noise, either audible or felt as vibration for wind turbine projects, if it causes an adverse effect on people, plants or animals. It is anticipated that proponents of future renewable energy projects will be required to monitor low-frequency noise to ensure this requirement is met.

The Ministry of the Environment will ensure these regulations are met through enforcement and compliance measures. We will be bringing forward the details of these requirements and the implementing regulations very soon. The public will be consulted on our proposed approval requirement and we will take the comments we receive into consideration prior to finalizing our protective framework for renewable energy projects. As always, we base our protections around sound science and always strive for continuous improvement.

If the bill is passed and regulations are made, and should new information come to light, we will review and amend as necessary our requirements, as we do for all other environmental standards today.

The province will also encourage leading-edge science by establishing and funding an academic research chair for the ongoing study of renewable energy technologies and health.

The Chair (Mr. David Oraziotti): Further comment?

Conservative motion 10.1, schedule A, section 4.1:
Shall the motion carry? All those—

Mr. John Yakabuski: Recorded vote.

Ayes

Bailey, Yakabuski.

Nays

Broten, Jeffrey, Kular, Mitchell, Tabuns.

The Chair (Mr. David Oraziotti): The motion is lost. Section 5, schedule A, NDP motion 11: Mr. Tabuns?

Mr. Peter Tabuns: I move that subsections 5(1) to (4) of the Green Energy Act, 2009, as set out in schedule A to the bill, be struck out and the following substituted:

“Energy conservation, demand management and adoption of renewable energy plans

“Public agencies

“5(1) The Lieutenant Governor in Council may, by regulation, require public agencies to prepare an energy conservation, demand management and adoption of renewable energy plan.

“Prescribed consumers

“(2) The Lieutenant Governor in Council may, by regulation, require prescribed consumers to prepare an energy conservation, demand management and adoption of renewable energy plan.

“Same, regulations

“(3) The regulations may provide that the plan required under subsection (1) or (2) cover such period as is prescribed and may be required at such intervals as are prescribed and may require that the plan be filed with the ministry.

“Specified targets and standards, public agencies

“(4) The Lieutenant Governor in Council may, by regulation, require a public agency to achieve prescribed targets and meet prescribed energy and environmental standards, including standards for energy conservation, demand management and adoption of renewable energy.”

The Chair (Mr. David Oraziotti): Further comment? Ms. Broten?

Ms. Laurel C. Broten: The government’s policy intent at this time is to require public agencies to become aware of their energy consumption, be able to benchmark against comparable public agencies, identify actions which can be taken and to make their plans public. While reporting on progress and implementing these plans is expected, there will be no requirement to adopt specific actions. Efforts to increase the adoption of renewable energy generated by public agencies are more appropriately addressed through programs and capital budget initiatives, as we have been doing.

We’re providing opportunities to invest in renewable energy plans and will continue to do that in the future. We’re giving municipalities and LDCs the opportunity to invest in renewable energy projects—for example, the recent announcement of \$550 million for school retrofits—and we’ll continue to find ways to encourage partnerships with private sector investors.

The Chair (Mr. David Oraziotti): Further comment? Mr. Tabuns?

Mr. Peter Tabuns: The idea that public agencies should reduce their energy consumption, their electricity demand, and install renewable energy is not a terribly revolutionary idea. It is simply consistent with the government’s overall call for action on climate change, with the statements that have been made by the minister about the importance of getting on with green energy and about the need for creation of employment and, finally, in terms

of the need to help agencies save money and protect themselves from the volatility of energy prices in the future. All of these things will be necessary.

If you were to say that agencies should report on their actions to prevent fire from taking place in their buildings, you wouldn’t just say, “We’d like to know what they’re going to do some day.” We’d say, “You have to take action to make sure the buildings are safe, that the risk of fire is reduced.” Anything that’s put forward in this amendment is simply in keeping with what the government has been saying is its policy direction. I would ask for members of all parties to support this resolution.

The Chair (Mr. David Oraziotti): Any further debate? NDP motion number 11.

Mr. Peter Tabuns: Recorded vote.

Ayes

Bailey, Tabuns, Yakabuski.

Nays

Broten, Jeffrey, Kular, Mitchell.

The Chair (Mr. David Oraziotti): The motion is lost. Conservative motion 11.1: Mr. Yakabuski.

Mr. John Yakabuski: You can support one of ours.

Mr. Peter Tabuns: I may well.

Mr. John Yakabuski: Highly unlikely.

I move that section 5 of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended:

(a) by striking out subsection (2);

(b) by striking out “or (2)” in subsection (3);

(c) by striking out subsection (6); and

(d) by striking out “or prescribed consumer” in subsection (8).

Subsection 5(2), “prescribed consumers,” which is demanding that consumers must prepare conservation plans, is inappropriate and should be removed.

1510

Amend subsection (3) to only include public agencies, and remove subsection (6) for the same reasons. And subsection (8): Remove reference to “prescribed consumer.”

The Chair (Mr. David Oraziotti): Further comment?

Ms. Laurel C. Broten: The government does not accept the amendment. The authority currently set out in the statute is permissive. The provision provides flexibility and would only be used in consultation with consumers who were to be prescribed.

The Chair (Mr. David Oraziotti): Any further comments? Seeing none, all those in favour?

Mr. John Yakabuski: Recorded vote.

Ayes

Bailey, Yakabuski.

Nays

Broten, Jeffrey, Kular, Mitchell, Tabuns.

The Chair (Mr. David Orazietti): The motion is lost.

Shall schedule A, section 5, carry? All those in favour? Opposed? It's carried.

Schedule A: Sections 6, 7 and 8 do not have any proposed amendments. If we could vote on those—all those in favour? Opposed? They're carried.

NDP proposal, a new section, schedule A, section 8.1: motion number 12, Mr. Tabuns.

Mr. Peter Tabuns: I move that the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following section:

"Community power financing and capacity-building

"8.1(1) The minister shall establish a comprehensive financing program and fund one or more entities to accelerate the development of eligible renewable energy projects and energy conservation projects and the resultant benefits to Ontarians, regardless of financial market conditions.

"Same

"(2) The program shall include, but not be limited to, the following functions necessary to ensure the community power sector is successful in Ontario:

"1. Soft loans and grants to provide community power projects requiring funding to cover the soft cost of project development work at early stages, including but not limited to pre-feasibility grants, capacity-building grants, feasibility loans and project development loans.

"2. Capitalization loans to eligible community power projects in order to simplify access to low-cost debt to allow proponents to retain control and ownership of projects.

"3. Capacity-building support for the community power sector proponents requiring resources to build the financial, technical, social, legal and organizational templates and practices associated with the facilitation and development of locally owned community-based renewable energy and conservation projects."

The Chair (Mr. David Orazietti): Further debate?

Ms. Laurel C. Broten: The government does not accept the motion, although we appreciate the intent being advanced. The intent of this motion is dealt with in government motion 35, which provides the minister directive power for the OPA to establish funds for the participation of community groups in the development of renewable energy generating facilities.

The Chair (Mr. David Orazietti): Any further debate or further comment?

Mr. Peter Tabuns: Yes, if I could just say—

The Chair (Mr. David Orazietti): Mr. Tabuns, go ahead.

Mr. Peter Tabuns: Thank you, Chair. I read amendment 35 as well, and I don't see it as being a negative one, but this, I think, is far more directive and comprehensive. If we're going to have acceptance for renewable energy across Ontario, it has to be very clear that there

will be programs put in place to make sure that they happen. The minister and the OPA, through this legislation, should be given, I think, fairly clear direction as to what has to happen.

In the presentations made last Thursday, the round table on the Green Energy Act, it was very clear that part of the success of the Danish experience has been their ability to develop support and ownership at the community level for renewable projects. To the extent that there is not an energetic, well-funded, directed program to allow ownership and direction at the community level, there will be more resistance to renewable energy projects. This amendment is meant to make the promise of renewable energy far more achievable, far more feasible.

The Chair (Mr. David Orazietti): Further comment?

Mr. John Yakabuski: All along we've been speaking about how we're concerned about the impacts on the price of electricity under this act. In fact, this amendment would not make it cheaper. If anything, it would make it more expensive because the government would be more involved in the financing of these projects. That's why they have a feed-in tariff model, which has different prices for community projects as well. I think that I would have to say that I could not support this amendment. We are worried about the price.

The Chair (Mr. David Orazietti): Any further comment?

Mr. Peter Tabuns: Recorded vote.

Ayes

Tabuns.

Nays

Broten, Jeffrey, Mauro, Mitchell.

The Chair (Mr. David Orazietti): The motion is lost. That means the new section will not be added.

New section proposed, schedule A, section 8.2: NDP motion 13.

Mr. Peter Tabuns: I move that schedule A of the bill be amended by adding the following section:

"Green bonds

"8.2(1) The minister shall develop and implement a green bond program within one year after the coming into force of the Green Energy and Green Economy Act, 2009.

"Same

"(2) Through the green bond program, the government shall lend its risk rate for the issuance of bonds to raise money for the public and the money raised shall be disbursed as low-cost debt capital for renewable energy projects with preferential pricing and tax credits for seniors and low-income or fixed-income citizens."

The idea, very simply, is that we expand the amount of capital available to invest in renewable energy projects. There would be an interest, I think, out there in this kind of investment, and it would put the government in a

position where it would be able to draw more funds, more investment, into this whole sector.

The Chair (Mr. David Oraziotti): Further comment on motion 13?

Ms. Laurel C. Broten: I query whether this motion is within the scope of the Green Energy Act. Measures requested would require special consideration as part of a money bill.

The Chair (Mr. David Oraziotti): According to legislative counsel, it does not concern money, and it is an acceptable motion to be debated.

Ms. Laurel C. Broten: Thank you for your ruling, Chair. The government's position is that, regardless, this would require further consultation and study as a result of potential fiscal implications.

The Chair (Mr. David Oraziotti): Any further comment or debate?

Mr. Peter Tabuns: Just very simply, if we're actually going to have very large-scale green energy development in Ontario, you have to mobilize across a broad front. This increases the options the government has to actually put people to work and to mobilize capital in Ontario. I don't think it should turn down the opportunity.

The Chair (Mr. David Oraziotti): Any further comment?

Mr. Peter Tabuns: Just a recorded vote when it comes to it.

Ayes

Tabuns.

Nays

Broten, Jeffrey, Mauro, Mitchell.

The Chair (Mr. David Oraziotti): The motion is lost. Schedule A, section 9: NDP motion 14. Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that clause 9(2)(c) of the Green Energy Act, 2009, as set out in schedule A to the bill, be struck out and the following substituted:

"(c) specifying such other requirements relating to energy conservation, energy efficiency and the adoption of renewable energy technologies as the minister considers appropriate."

The Chair (Mr. David Oraziotti): Any other comments, Mr. Tabuns?

Mr. Peter Tabuns: No. It follows from the need to expand investment in renewable energy.

The Chair (Mr. David Oraziotti): Okay. Ms. Broten.

Ms. Laurel C. Broten: The government will be accepting this amendment. It's in line with government intentions and the focus of the act.

The Chair (Mr. David Oraziotti): Any further comment? NDP motion 14: All those in favour? The motion is carried.

There are no more amendments in this section. Shall schedule A, section 9, as amended, carry? All those in favour? Carried.

1520

Schedule A, section 10, NDP amendment number 15: Mr. Tabuns.

Mr. Peter Tabuns: I move that subsection 10(2) of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following paragraph:

"4. To work with and assist the public in participating in early and ongoing consultation with proponents."

The Chair (Mr. David Oraziotti): Any further comments?

Mr. Peter Tabuns: Very simply, this will draw the public, I hope, into the process of developing renewable energy, and it just makes it explicit that the Renewable Energy Facilitation Office is meant to engage in those consultations.

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: Government motion number 5, which has previously passed, addresses this concern and ensures that the Green Energy Act "shall be administered in a manner that promotes community consultation." This would include services offered by the Renewable Energy Facilitation Office. We have signalled that a uniform process for proponent consultation with municipalities, on-site requirements and local infrastructure is part of the renewable energy approvals process. As has been demonstrated by our previous government motion, we're committed to ensuring that the act moves forward in a way that highlights community consultation.

The Chair (Mr. David Oraziotti): Further comment? Mr. Yakabuski.

Mr. John Yakabuski: There's nothing wrong with the addition. We could go on and on and continue to insert fluffy additions, but this bill is long enough; it's 65 pages now. I'm voting against it.

The Chair (Mr. David Oraziotti): Any further comments? All those in favour of NDP motion 15? All those opposed? The motion is lost.

Shall schedule A, section 10, carry? All those in favour? Carried.

Schedule A, section 11: government motion number 16.

Mrs. Carol Mitchell: I move that subsections 11(2) to (5) of the Green Energy Act, 2009, as set out in schedule A to the bill, be struck out and the following substituted:

"Records maintained in confidence

"(2) The renewable energy facilitator, or a person employed in the Renewable Energy Facilitation Office, shall maintain in confidence,

"(a) a record or information relating to a renewable energy project of a proponent that has been supplied to the facilitator by the proponent or that has been obtained by the facilitator from another institution, person or entity; and

"(b) a record or information maintained in the Renewable Energy Facilitation Office that would reveal a record or information relating to a renewable energy

project of a proponent that has been supplied to the facilitator by the proponent or another person or entity.

“Exception

“(3) Despite subsection (2), the renewable energy facilitator, or a person employed in the Renewable Energy Facilitation Office, may disclose a record or information,

“(a) where the proponent to whom the record or information relates consents to its disclosure;

“(b) where the disclosure is necessary to achieve the objects of the office;

“(c) to counsel or to an adviser to the Renewable Energy Facilitation Office;

“(d) for the purpose of complying with an act of the Legislature or an act of Parliament;

“(e) as authorized under the Regulatory Modernization Act, 2007;

“(f) where disclosure is to an institution or a law enforcement agency in Canada to aid a law enforcement investigation; or

“(g) where disclosure is further to an order of a tribunal.

“Information deemed to have been supplied in confidence

“(4) A record or information to which subsection (2) applies is deemed, for the purposes of section 17 of the Freedom of Information and Protection of Privacy Act, to have been supplied by the proponent in confidence to the Renewable Energy Facilitation Office.

“Record or information deemed to be supplied in confidence

“(5) A record or information to which subsection (2) applies that the renewable energy facilitator or a person employed in the Renewable Energy Facilitation Office supplies to a person employed in the ministry or to another institution is deemed, for the purposes of section 17 of the Freedom of Information and Protection of Privacy Act, to have been supplied by the proponent in confidence to that person or institution.

“Definition

“(6) In this section,

“‘institution’ has the same meaning as in the Freedom of Information and Protection of Privacy Act and the Municipal Freedom of Information and Protection of Privacy Act.”

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: This motion clarifies that the provision applies to persons employed in the office and not only to the facilitator. The obligation to keep certain information confidential is moved from subsection 12(1) to subsection 11(2). The motion provides for certain exemptions from the confidentiality requirement that are consistent with the Freedom of Information and Protection of Privacy Act. Also consistent with other pieces of legislation, the motion includes language permitting disclosure of information pursuant to the Regulatory Modernization Act. Finally, the motion deems certain information to have been supplied in confidence for the purpose of FIPPA, section 17. The motion reflects a

balanced approach to the access to information and the protection of privacy and has been vetted on a principled basis with the Office of the Information and Privacy Commissioner.

The Chair (Mr. David Oraziotti): Further comments?

Mr. John Yakabuski: We have our own amendment in section 12 dealing with secrecy. It looks like you’re shifting some of the stuff from 12 into 11, but you’re still not protecting it in the same way. If we amend this section, Mr. Chair, does that preclude my next amendment from even being brought forward? No? They’re striking it out of 12 in this amendment, are they not? Do they have a further amendment to do that, or that’s just part of your explanation? Do you have another amendment to deal with the actual removal out of 12?

Ms. Laurel C. Broten: No, that is contained within this amendment.

Mr. John Yakabuski: Okay.

The Chair (Mr. David Oraziotti): All those in favour of government motion 16? Opposed? The motion is carried.

NDP motion 17: Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that section 11 of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following subsection:

“Disclosure of record relating to effects on plant life etc.

“(3.1) Despite subsections (2) and (3) and section 12, the facilitator shall disclose a record relating to the effects of a renewable energy project on plant life, animal life, human health or safety or the environment.”

Simply, Chair, these pieces of information, I think, are ones that the public should have access to, and we just want to make sure that is reflected in the legislation.

The Chair (Mr. David Oraziotti): Comments?

Ms. Laurel C. Broten: The government does not support this amendment. We have just voted on a government motion that brings forward a comprehensive disclosure and protective framework which has been vetted by the Information and Privacy Commissioner. We hold the view that that course of action is the appropriate course to take.

The Chair (Mr. David Oraziotti): Any further comments? NDP motion 17: All those in favour? Opposed? The motion is lost.

Shall schedule A, section 11, as amended, carry? All those in favour? Opposed? The section is carried.

Conservative motion 17.1: Mr. Yakabuski.

Mr. John Yakabuski: I move that subsection 12(1) of the Green Energy Act, 2009, as set out in schedule A to the bill, be struck out and the following substituted:

“Preserving secrecy

“12(1) The renewable energy facilitator shall preserve the secrecy of information that he or she obtains from or about a proponent of a renewable energy project.”

We have serious concerns about the energy facilitator having legislative authority to communicate confidential information, in particular without a warrant. There should

be no communication respecting projects to law enforcement agencies, nor should there be communication legislatively secured between the facilitator and a lawyer of the proponent, without a current consent from the client. This should not be automatic. The whole of subsection 12(1) should be limited to the words, "The renewable energy facilitator shall preserve the secrecy of information that he or she obtains from or about a proponent of a renewable energy project." Subsection (2) is fine.

The Chair (Mr. David Oraziotti): Any further comments?

1530

Ms. Laurel C. Broten: Government motion number 16, as I just indicated, sets out a comprehensive section with respect to the protection of information and the maintenance of confidentiality. It's consistent with the Freedom of Information and Protection of Privacy Act and the Regulatory Modernization Act and has been vetted in principle by the Information and Privacy Commissioner.

These amendments being advanced don't reflect the provisions that we have just amended. Accordingly, we will not be accepting them.

The Chair (Mr. David Oraziotti): Any further comments? Conservative motion 17.1: All those in favour? Opposed? The motion is lost.

Government motion number 18: Ms. Broten.

Ms. Laurel C. Broten: I move that section 12 of the Green Energy Act, 2009, as set out in schedule A to the bill, be struck out and the following substituted:

"Testimony

"12. Neither the renewable energy facilitator nor any person employed in the Renewable Energy Facilitation Office or the ministry shall be required to give evidence in a civil proceeding with respect to information obtained in the course of fulfilling the objects of the office."

The obligation to preserve confidentiality of information is now found under section 11. The motion continues to provide immunity from a requirement to give evidence in a civil proceeding with respect to information obtained in the course of fulfilling the objects of the office. Providing this type of immunity is consistent with other legislation.

The Chair (Mr. David Oraziotti): Any further comments? Government motion number 18: All those in favour? Opposed? The motion is carried.

Shall schedule A, section 12, as amended, carry? All those in favour? Opposed? Carried.

Schedule A, section 13: There are no amendments. All those in favour of schedule A, section 13? Opposed? Carried.

The proposed new section, schedule A, section 13.1: NDP amendment number 19. Mr. Tabuns.

Mr. Peter Tabuns: I move that part III of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following section:

"Purpose and standards

"Purpose

"13.1(1) The purpose of this part is to ensure that energy and water efficiency standards are consistent with the highest standards currently in place in North America.

"Review of standards

"(2) All standards adopted under this part shall be subject to review no less frequently than every three years."

There's an opportunity here to strengthen the Energy Efficiency Act, which was first enacted about two decades ago. This brings it in line with current practice in the rest of North America. Consistent with where the government says it wants to go on this bill and where it wants to go with green energy, this strengthens the bill and should be adopted.

The Chair (Mr. David Oraziotti): Further comment? Ms. Broten.

Ms. Laurel C. Broten: Ontario already has a track record of having efficiency standards that are harmonized with the highest in North America. Standards are reviewed on a cycle that considers technology improvements, market transformation and regulatory initiatives in other jurisdictions.

We cannot accept this motion. Imposing a three-year cycle would be arbitrary and at odds with North American practice.

The Chair (Mr. David Oraziotti): Any further comments? Mr. Tabuns.

Mr. Peter Tabuns: I would say that to actually keep current with what is going on in the wider world, you need to set a regular cycle within which you're reviewing change. Right now, California is going through a substantial assessment of energy consumption by televisions. I think that if we're actually going to meet our targets with regard to demand management and reduction of electrical load, we have to be moving consistently to the highest points achievable in North America. I don't think it's something that can simply be left to common practice. It should be legislated.

The Chair (Mr. David Oraziotti): Any further comments? NDP motion number 19: All those in favour?

Mr. Peter Tabuns: Recorded vote on it.

Ayes

Tabuns.

Nays

Broten, Jeffrey, Kular, Mauro, Mitchell.

The Chair (Mr. David Oraziotti): The motion is lost.

There are no amendments for schedule A, section 14. Shall schedule A, section 14, carry? All those in favour? Carried.

Schedule A, section 15, government motion number 20: Ms. Broten. Sorry; there's a notice, and there is Conservative notice 20.1.

First, the government notice. If you're interested in speaking to this, may. It's part of the section, but if you want to speak to it—

Ms. Laurel C. Broten: Thank you, Chair. Government motion 20 and the Conservative motion 20.1 appear to be identical amendments being brought forward.

Interjection.

Ms. Laurel C. Broten: It doesn't matter? Okay. The amendment removes from the bill all powers of inspection authority to enter dwellings, conditions under which a search warrant can be obtained, and powers under those warrants for contravening provisions under the act. These powers affect part I, section 2, related to prescribed information to be provided on the sale of property, and part III, related to prescribed efficiency standards for appliances and products.

The Chair (Mr. David Oraziotti): Any further comment? Mr. Yakabuski, go ahead.

Mr. John Yakabuski: I'd just like to amend the notice. It should read, "The government recommends voting against," and then strike out the words "section 15 of schedule A to," and then it would just read, "The government recommends voting against the bill."

Mrs. Carol Mitchell: Is that a friendly amendment?

Mr. John Yakabuski: I'll send it over by airmail to you, Carol; just one second here. I'm pretty good at these planes, if I've got enough time.

The Chair (Mr. David Oraziotti): Regardless of the notices that are on the floor, it's schedule A, section 15. You're speaking to the section. Is there any further debate? Seeing none, all in favour of schedule A, section 15? Shall it carry? All those in favour? Opposed? The section is lost.

Section 16, government notice 21 and Conservative notice 21.1: The government notice first. Ms. Broten.

Interjection.

The Chair (Mr. David Oraziotti): We're speaking to schedule A, section 16. There are no amendments, but there are notices, so if you want to speak to that, you can.

Ms. Laurel C. Broten: If Mr. Yakabuski would like to speak first and have his notice be the one that moves forward, I'm satisfied with that.

Mrs. Carol Mitchell: No amendments?

Mr. John Yakabuski: No, we just have a notice here where we were basically asking the same thing. The Progressive Conservative Party recommends voting against section 15 of the Green Energy Act, as set out in section 15 of schedule A to the bill.

The Chair (Mr. David Oraziotti): We're going to vote on schedule A, section 16. All those in favour?

Mrs. Carol Mitchell: Just a minute. Are we voting on section 16, schedule A?

The Chair (Mr. David Oraziotti): Yes. All those in favour? All those opposed? The section is lost.

Schedule A, section 17, government motion 22: Ms. Broten, go ahead.

Interjection.

The Chair (Mr. David Oraziotti): Ms. Mitchell?

Mrs. Carol Mitchell: I move that subsection 17(2) of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following clauses:

"(0.a) governing renewable energy testing facilities in relation to,

"(i) planning design, siting, buffer zones, notification and consultation, establishment, insurance, facilities, staffing, operation, maintenance, monitoring, record-keeping and improvement, and

"(ii) the discontinuance of the operation of any part of the renewable energy testing facility;

"(0.a.1) governing the location of renewable energy testing facilities, including prohibiting or regulating the construction, installation, use, operation or changing of renewable energy testing facilities in parts of Ontario."

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: This provision has been added to further support the practical implementation of the act by ensuring that the government has sufficient authority to regulate renewable energy testing facilities relating to the development of renewable energy generation facilities and projects. Such testing facilities are essential to the successful development of renewable energy generation facilities and renewable energy projects. The regulation-making authority supports the government's policy of ensuring that such testing facilities are implemented with a view to ensuring their consistency with the government's overall policy approach to renewable energy generation facilities and associated approvals processes.

The Chair (Mr. David Oraziotti): Any further comment on motion 22? Seeing none, all those in favour of government motion 22? Opposed? The motion is carried.

Conservative motion 22.1: Mr. Yakabuski.

Mr. John Yakabuski: I move that section 17 of the Green Energy Act, 2009, as set out in schedule A to the bill, be amended by adding the following subsection:

"Regulations, voluntary compliance

"(2.1) Regulations made under subsection (2) shall allow for voluntary compliance with the regulation."

Part V should be amended to allow for voluntary compliance with the regulations respecting appliances and products. The government is free to set efficiency standards for new appliances, and this is normal.

The Chair (Mr. David Oraziotti): Any further comment? Ms. Broten.

Ms. Laurel C. Broten: The government cannot support such an amendment. It would undermine the authority of all regulations made under the Green Energy Act. No other provincial statute would include such a provision.

The Chair (Mr. David Oraziotti): Any further comment? Seeing none, Conservative motion 22.1: All those in favour?

Mr. John Yakabuski: Recorded vote.

Ayes

Bailey, Yakabuski.

Nays

Broten, Jeffrey, Kular, Mitchell, Tabuns.

The Chair (Mr. David Orazietti): Okay, the motion is lost.

Shall schedule A, section 17, as amended, carry? All those in favour? Carried.

Mr. John Yakabuski: Is that air conditioning working?

Mr. Robert Bailey: It's part of the Green Energy Act.

The Chair (Mr. David Orazietti): Schedule A, sections 18 to 21: There are no amendments. Shall sections 18 to 21 carry? Carried.

There's a preamble to schedule A. Shall the preamble to schedule A carry, as presented? All those in favour? Carried.

Interjection.

The Chair (Mr. David Orazietti): In a moment. Shall schedule A, as amended, carry? Carried.

Schedule B—

Mr. John Yakabuski: Can we take a five-minute break?

The Chair (Mr. David Orazietti): Is there agreement for a five-minute break? Agreed. The committee is in recess for five minutes.

The committee recessed from 1543 to 1554.

The Acting Chair (Mrs. Linda Jeffrey): Committee, we're going to resume. I'll act as Chair.

We're at motion number 23. Mr. Tabuns, you have the floor.

Mr. Peter Tabuns: I move that section 1 of schedule B to the bill be amended by adding the following subsection:

“(01) Subsection 2(1) of the Electricity Act, 1998 is amended by adding the following definitions:

“‘green energy’ means energy derived from a renewable energy source or from a generation facility that is a high-efficiency heat and power facility;

“‘high-efficiency heat and power facility’ means a generation facility that uses high-efficiency technology to produce power and thermal energy from a single source and that achieves a minimum average efficiency of 6,000 British thermal units per kilowatt hour but does not include a generation facility that uses garbage or refuse-derived fuel.”

I believe I've made my arguments before, Madam Chair—oh, Mr. Chair. The things you miss when you look down at the paper.

The Chair (Mr. David Orazietti): Any further comments?

Mr. Peter Tabuns: No. I've made my arguments.

Ms. Laurel C. Broten: No, I've made an argument.

The Chair (Mr. David Orazietti): Mr. Yakabuski?

Mr. John Yakabuski: I've heard this before. I saw something very similar, and I don't think Peter's going to do any better this time. The cards are stacked against him.

The Chair (Mr. David Orazietti): All those in favour of NDP motion number 23? Opposed? The motion is lost.

Government motion number 24.

Mrs. Carol Mitchell: I move that the definition of “renewable energy generation facility” in subsection 2(1) of the Electricity Act, 1998, as set out in subsection 1(2) of schedule B to the bill, be struck out and the following substituted:

“‘renewable energy generation facility’ means a generation facility that generates electricity from a renewable energy source and that meets such criteria as may be prescribed by regulation and includes associated or ancillary equipment, systems and technologies as may be prescribed by regulation, but does not include an associated waste disposal site, unless the site is prescribed by regulation for the purposes of this definition;...” In French, that's what I said, right? My apologies.

The Chair (Mr. David Orazietti): Any further comment?

Ms. Laurel C. Broten: This is a technical amendment.

The Chair (Mr. David Orazietti): Mr. Tabuns?

Mr. Peter Tabuns: What does the technical amendment achieve? What does it give us?

Ms. Laurel C. Broten: It's designed to improve the overall alignment between the Electricity Act and the Environmental Protection Act in the manner in which each deals with renewable energy projects, and particularly in regard to electricity generation from waste by referencing associated waste disposal sites rather than associated works that produce, process, handle or store waste. The reference to “waste disposal site” aligns with MOE legislation and regulations.

The Chair (Mr. David Orazietti): Any further comments?

Government motion 24: All those in favour? Opposed? The motion is carried.

Motion number 25, NDP motion.

Mr. Peter Tabuns: I move that subsection 2(1) of the Electricity Act, 1998, as set out in subsection 1(3) of schedule B to the bill, be amended by striking out the definition of “renewable energy source” and substituting the following:

“‘renewable energy source’ means an energy source that is renewed by natural processes and includes wind, water, biomass, biogas, excluding plasma gasification of municipal solid waste, biofuel, solar energy, geothermal energy, tidal forces and such other energy sources as may be prescribed by the regulations, but does not include incineration of synthetic gas from municipal solid waste;...”

I think I've made the argument before.

The Chair (Mr. David Orazietti): Any further comments?

Mr. John Yakabuski: Just a question: Are you folks opposed to energy from waste? I'd never gather this from these amendments. Is that correct?

Mr. Peter Tabuns: You're asking me? Yes.

Mr. John Yakabuski: Okay. I just wondered.

The Chair (Mr. David Oraziotti): Ms. Broten, comments? No? Okay.

All those in favour of NDP motion number 25? All those opposed? The motion is lost.

Conservative motion number 25.1.

Mr. John Yakabuski: Peter's going to vote against this one, but they are too.

I move that the definition of "renewable energy source" in subsection 2(1) of the Electricity Act, 1998, as set out in subsection 1(3) of schedule B to the bill, be amended by striking out "an energy source that is renewed by natural processes" and substituting "an energy source that is obtained by burning municipal waste or is renewed by natural processes."

This would allow the burning of municipal solid waste and other energy alternatives, which would allow the cement industry to actually reduce dramatically the amount of coke and coal that they currently use in their production processes, thereby reducing by the same dramatic amounts the amount of greenhouse gases that would be emitted into the atmosphere using the processes that they've already perfected, which would be able to burn those alternative sources of fuel in a very environmentally sensitive and friendly manner.

1600

The Chair (Mr. David Oraziotti): Any further comment? Ms. Broten.

Ms. Laurel C. Broten: The government will not be supporting this amendment. The Green Energy Act is not intended to promote energy from municipal solid waste, and it is not government policy to define MSW as a renewable energy source in the act.

The Chair (Mr. David Oraziotti): Any further comments? All those in favour of Conservative motion 25.1? All those opposed? The motion is lost.

Mr. John Yakabuski: Did you get me voting in favour of that?

Mr. Robert Bailey: I voted in favour.

The Chair (Mr. David Oraziotti): It wasn't a recorded vote.

Government motion number 26. Ms. Broten.

Interjection.

The Chair (Mr. David Oraziotti): Mr. Bailey had his hand up.

Ms. Broten—sorry, Ms. Mitchell.

Mrs. Carol Mitchell: I move that subsection 2(1) of the Electricity Act, 1998, as amended by subsection 1(4) of schedule B to the bill, be amended by adding the following definition:

"'waste disposal site' has the same meaning as in section 25 of the Environmental Protection Act. (F)"

The Chair (Mr. David Oraziotti): Further comments? Ms. Broten.

Ms. Laurel C. Broten: This is a technical amendment to improve the alignment between the Electricity Act and the Environmental Protection Act.

The Chair (Mr. David Oraziotti): Government motion number 26: All those in favour? Opposed? The motion is carried.

Shall schedule B, section 1, as amended, carry? All those opposed? Carried.

A new section proposed by the NDP: schedule B, section 1.1. It's motion number 27. Mr. Tabuns.

Mr. Peter Tabuns: I'll read the motion, but the success of the motion depends on a further amendment happening later on in the bill. So, Chair, you might give me advice on this. Do we need to go to the section of the bill that needs to be amended and hold this down and come back?

Interjection.

Mr. Peter Tabuns: Fine. We need to add clause 8(1)(h) of the bill in order to make this a substantial amendment.

Interjection.

The Chair (Mr. David Oraziotti): Mr. Tabuns, the advice we're getting from legislative counsel is that we wait, as you've indicated, until we deal with the section later in the bill. So we'll hold off on this particular amendment.

Mr. Peter Tabuns: Okay.

The Chair (Mr. David Oraziotti): We'll move to schedule B, section 2, NDP motion number 28.

Mr. Peter Tabuns: It's the same constraint.

The Chair (Mr. David Oraziotti): Number 29: Is that the same as well?

Mr. Peter Tabuns: No.

The Chair (Mr. David Oraziotti): So we'll hold off on 27 and 28 and we'll move to schedule B, section 3, motion number 29. So go ahead with that.

Mr. Peter Tabuns: I move that section 3 of schedule B to the bill be struck out and the following substituted:

"3. Section 25.11 is repealed and the following substituted:

"'Conservation bureau

"'25.11(1) An office known in English as the conservation bureau and in French as Bureau des économies d'énergie shall be established within the OPA to provide leadership in planning and co-ordination of measures for electricity efficiency, conservation and load management in Ontario and to engage in such activities as may be prescribed in the regulations.

"'Chief energy conservation officer

"'(2) The chief energy conservation officer shall be responsible for directing, managing and supervising the business and affairs of the conservation bureau, including the planning, implementation and management of electricity conservation and load management activities, projects and programs by the OPA, reporting to the board of directors of the OPA.

"'Appointment

"'(3) The minister shall appoint the chief energy conservation officer.

"'Annual report

"'(4) At least 60 days before the beginning of the following fiscal year, the chief energy conservation

officer shall submit a report to the board of directors and the minister that includes,

“(a) the conservation bureau’s proposals for the following fiscal year regarding steps to be taken,

“(i) to promote electricity conservation and load management,

“(ii) to procure reductions in electricity demand and promote management of electricity demand to assist the government of Ontario in achieving goals in electricity conservation, and

“(iii) to facilitate the provision of services relating to energy conservation and load management;

“(b) a detailed description of the steps taken to implement the current year’s proposals and detailed information on the results achieved;

“(c) information on any government policy or legislation identified by the conservation bureau that results in a barrier to the development or implementation of electricity conservation measures.

“Same

“(5) The chief energy conservation officer shall make the report public within seven days of submitting it to the board of directors and the minister under subsection (4).”

Very simply, I don’t think it was a good idea to remove the conservation bureau from the OPA. It needs a body that is focused on conservation, that will drive conservation; it needs an officer who will be in a senior position reporting to the board of directors. Without that, the importance of conservation will be downgraded. It needs someone who is there, focused and driving that agenda.

Ms. Laurel C. Broten: This motion is inconsistent with government policy on this matter. The establishment of a reporting function on conservation activities will now be with the Environmental Commissioner of Ontario for increased transparency and accountability. The ECO will have enhanced independence and reporting powers to fulfill this function and will report on all fuels.

In addition, through the GEA, LDCs will now have greater responsibility for delivery of conservation programs and reporting. LDCs have direct relationships with their ratepayers and have a unique ability to create programs which are best suited to their consumers.

The Chair (Mr. David Oraziotti): Any further comment?

Mr. Peter Tabuns: I don’t think it’s a bad idea to have the Environmental Commissioner have enhanced powers to follow what’s going on, and I don’t think it’s a bad idea to have enhanced powers for the local distribution companies to promote energy efficiency, but if in fact at the provincial level you’re going to drive an agenda that actually is going to reduce energy consumption and specifically electricity consumption, you need someone who has a responsibility for doing that. You need an office that will aggregate information, set plans and move them forward. Simply reporting and devolving is not going to do what needs to be done in Ontario,

which is why I think the government is wrong in taking the policy direction it’s taking.

The Chair (Mr. David Oraziotti): Any further comments on NDP motion number 29? All those in favour? Opposed? The motion is lost.

Shall schedule B, section 3, carry? All in favour? Opposed? It’s carried.

Schedule B, section 4: There are no amendments presented. Shall it carry? Carried.

A new section is proposed by the NDP: schedule B, section 4.1. Motion 30: Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that schedule B of the bill be amended by adding the following section:

“4.1(1) Subsection 25.30(1) of the act is amended by adding the following clause:

“(a.1) that pursues all cost-effective opportunities for energy conservation and energy efficiency prior to consideration of new sources of electricity supply; and.”

“(2) Section 25.30 of the act is amended by adding the following subsection:

“Cost effectiveness

“(1.1) For the purposes of this section, “cost-effective” includes consideration of the environmental and social benefits of and environmental and social costs avoided as a result of energy efficiency and energy conservation.”

I think it needs to be clear in our electricity planning that energy efficiency and conservation are the centre of what has to be done. Energy efficiency needs to be understood in its broader impact on provincial finances, provincial environment, provincial health. This motion will be useful to the government in delivering its agenda.

The Chair (Mr. David Oraziotti): Any further comments? Ms. Broten.

Ms. Laurel C. Broten: The supply mix directive to the OPA defines the goals of the IPSP, and the minister has authority to set out goals to be achieved by the IPSP through the supply mix directive, so a legislative change is not necessary. The government has set very aggressive conservation targets in its existing supply-mix directive, and these targets were informed by an analysis of Ontario’s currently achievable conservation potential, including aggressive codes and standards. In September 2008, the government asked the OPA to review the viability of accelerating the achievement of these targets, and additional direction to the OPA on conservation targets can be provided as circumstances require. As part of the OPA and OEB’s consultation process on the IPSP, we’ve heard from many groups and organizations on the best ways to achieve our conservation targets.

1610

The Chair (Mr. David Oraziotti): Any further comments?

Mr. Peter Tabuns: I’ll just say that we may have heard from many groups on how to achieve targets; this puts in statute the requirement to drive forward on efficiency and conservation, and that needs to be there.

The Chair (Mr. David Oraziotti): Further comments? NDP motion number 30 to add the new section

4.1: Shall it carry? All those in favour? Opposed? The motion is lost.

Schedule B, section 5, government motion 31: Ms. Mitchell?

Mrs. Carol Mitchell: I move that clause 25.32(2)(b) of the Electricity Act, 1998, as set out in subsection 5(1) of schedule B to the bill, be struck out and the following substituted:

“(b) a direction issued under subsection (4), (4.1), (4.4), (4.5), (4.6) or (4.7) or section 25.35.”

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: This is a purely technical change which had the effect of clarifying that the OPA does not enter into a procurement contract that does not comply with the direction issued under the listed provisions.

The Chair (Mr. David Oraziotti): Further comment? All in favour of government motion 31? Opposed? The motion is carried.

NDP motion 32: Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that clause 25.32(4.1)(a) of the Electricity Act, 1998, as set out in subsection 5(2) of schedule B to the bill, be struck out and the following substituted:

“(a) the procurement of electricity supply or capacity, limited to supply and capacity derived from renewable energy sources or green energy.”

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: The next government motion, number 33, will clarify that the direction authority in this area is limited to renewable energy sources only.

The Chair (Mr. David Oraziotti): Further comment? NDP motion number 32: All those in favour? Opposed? The motion is lost.

Government motion number 33: Ms. Mitchell.

Mrs. Carol Mitchell: I move that clause 25.32(4.1)(a) of the Electricity Act, 1998, as set out in subsection 5(2) of schedule B to the bill, be struck out and the following substituted:

“(a) the procurement of electricity supply or capacity derived from renewable energy sources.”

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: This amendment would make the new directive authority applicable only to renewable energy sources rather than all sources for the generation of electricity. This amendment is designed to ensure that directions issued by the minister under this provision relate to renewable energy generation only.

The Chair (Mr. David Oraziotti): Further comment? Mr. Tabuns?

Mr. Peter Tabuns: Just so that we're very clear, that means then that the minister couldn't use this section to procure electricity from a nuclear generating plant; is that correct? You will have to do more than nod, Ms. Broten.

The Chair (Mr. David Oraziotti): Ms. Broten, just for the record, if you want to make a comment on that.

Ms. Laurel C. Broten: I've made my submissions with regard to the provision. It is a comment that we received back from stakeholders during the context of the

Green Energy Act, and we wanted to advance this clarification.

Mr. John Yakabuski: The minister confirmed that in the House today.

The Chair (Mr. David Oraziotti): Government motion number 33: All those in favour? Opposed? Carried.

NDP motion number 34: Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that section 25.32 of the Electricity Act, 1998, as set out in subsection 5(2) of schedule B to the bill, be amended by adding the following subsection:

“Same

“(4.6) Subsection (4.5) applies with respect to generation facilities and systems that are both on and off a reserve, as defined in the Indian Act (Canada), and on unceded reserve lands.”

In several places the bill empowers local communities, municipalities and distribution utilities to develop projects. I think it's needed to specify that the bill applies to facilities or systems that would be developed by First Nations.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: The government will not be supporting this amendment. The proposal is not necessary as there is nothing within Bill 150 to limit the OPA or the minister from designing a program whose application is limited to on- or off-reserve lands. The spirit of this motion is already captured within the bill.

The Chair (Mr. David Oraziotti): Any further comment? NDP motion number 34: All those in favour? Opposed? The motion is lost.

Government number 35: Ms. Mitchell?

Mrs. Carol Mitchell: I move that section 25.32 of the Electricity Act, 1998, as amended by subsection 5(2) of schedule B to the act, be amended by adding the following subsections:

“Direction re programs for participation of groups

“(4.6) The minister may direct the OPA to establish measures to facilitate the development of renewable energy generation facilities, transmission systems and distribution systems, and the measures may include programs or funding for or associated with the participation of groups and organizations, including but not limited to municipalities, in the development of the facilities or systems.

“Direction re municipal programs

“(4.7) The minister may direct the OPA to develop programs that are designed to reimburse the direct costs incurred by a municipality in order to facilitate the development of renewable energy generation facilities, transmission systems and distribution systems and the funding may include funding for infrastructure associated with or affected by the development of the facilities or systems.”

The Chair (Mr. David Oraziotti): Further comment? Ms. Broten.

Ms. Laurel C. Broten: This section gives the minister the authority to direct the Ontario Power Authority to

develop and deliver funding programs to assist groups and organizations, including municipalities, in facilitating and participating in the development of renewable energy facilities.

The “Direction re municipal programs” subsection gives the minister the authority to direct the Ontario Power Authority to develop a program that would allow municipalities to recover certain eligible costs such as repairs or upgrades incurred as a direct result of renewable energy facilities locating in their communities.

The Chair (Mr. David Oraziotti): Further comment? All in favour of government motion 35? Opposed? The motion is carried.

Motion 36: Ms. Mitchell?

Mrs. Carol Mitchell: I move that section 5 of schedule B to the bill be amended by adding the following subsection:

“(3) Subsection 25.32(6) of the act is amended by adding the following paragraph:

“3. A contract entered into by the OPA following a procurement solicitation or other initiative referred to in subsection (4.1), (4.4), (4.5) or (4.6) or section 25.35 or an expenditure made under subsection (4.7).”

The Chair (Mr. David Oraziotti): Further comment? All in favour of government motion 36? Opposed? Carried.

NDP motion 37.

Mr. Peter Tabuns: I move that—

The Chair (Mr. David Oraziotti): Sorry, Mr. Tabuns; before we move on, shall schedule B, section 5, as amended, carry? All those in favour? Carried.

Mr. Peter Tabuns: I move that subsection 25.35(1) of the Electricity Act, 1998—

The Chair (Mr. David Oraziotti): We’re not there. One second.

Shall schedule B, section 6—there are no amendments here—carry? Carried.

All right, Mr. Tabuns: NDP motion 37, schedule B, section 7. Go ahead.

Mr. Peter Tabuns: I move that subsection 25.35(1) of the Electricity Act, 1998, as set out in section 7 of schedule B to the bill, be struck out and the following substituted:

“(1) The minister shall direct the OPA to develop feed-in tariff programs that are designed to ensure that they are the primary mechanism for procuring green energy, and in so directing the OPA, the minister shall specify such circumstances and timelines as the minister shall require.”

The objective here is to make sure that the bulk of what is done in terms of procuring renewable power is done through feed-in tariffs. They are extremely efficient and effective at getting renewable power going in European jurisdictions. Given all of the publicity about this bill and its potential—or claimed potential—for a renaissance of investment in Ontario, one of the central mechanisms has to be there for that to go forward.

1620

The Chair (Mr. David Oraziotti): Any further comments? Ms. Mitchell or Ms. Broten?

Ms. Laurel C. Broten: The amendment is unnecessary. We are creating a FIT program. We’re in the midst of a consultation process by the OPA.

The Chair (Mr. David Oraziotti): Further comment?

Mr. Peter Tabuns: Fair enough that you’re creating a feed-in tariff program. The question is, will that be the primary tool by which there’s an increased investment in renewable power in Ontario?

The Chair (Mr. David Oraziotti): NDP motion 37: All those in favour? Opposed? The motion is lost.

Number 38: Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that subsection 25.35(2) of the Electricity Act, 1998, as set out in section 7 of schedule B to the bill, be struck out and the following substituted:

“Minister’s directives

“(2) The minister shall issue, and the OPA shall follow in preparing its feed-in tariff program, directives that set out the goals to be achieved during the period to be covered by the program, including goals relating to,

“(a) the participation by aboriginal peoples in the development, ownership and establishment of renewable energy projects;

“(b) the involvement of members of the local community in the development, ownership and establishment of renewable energy projects;

“(c) domestic content, requiring each renewable energy project proponent to spend at least 60% of its project spending within Ontario on or before the day that is three years after the day the Green Energy and Green Economy Act, 2009 comes into force;

“(d) a recognized and appropriate premium for the advantages and benefits that arise from local public ownership and control of renewable power sources; and

“(e) the elimination of artificial limits being imposed on the capacity of locally owned and controlled renewable power sources.”

The intention here is to make sure that we have locally developed manufacturing capacity. In Quebec, there’s a requirement that 60% of the value of new wind turbine projects comes from manufacturing in Quebec. They didn’t do that on day one; they’ve worked up to it over a number of years. Three years seems a fair requirement.

If the government is talking about large-scale job creation in Ontario, it’s going to also have to put in place substantive made-in-Ontario requirements. This amendment provides them with that mechanism.

The Chair (Mr. David Oraziotti): Further debate? Ms. Broten?

Ms. Laurel C. Broten: The government’s commitment to mandating domestic content is further substantiated by the next motion, motion 39, which advances a new section establishing the government’s commitment to domestic content. With respect to this motion, the domestic content levels will be established consistent with trade agreements and in consultation with relevant sectors.

As was requested by the Blue Green Alliance, our domestic content targets will be technology-specific, with

the potential of increasing over time as new manufacturing opportunities are realized.

The Chair (Mr. David Oraziotti): Any further comment?

Mr. Peter Tabuns: This resolution is not in contradiction to increasing domestic content over time and it's not in contradiction to having a variety of technologies. It's setting a floor at 60%. Quebec has a 60% requirement. They're not being challenged through any trade agreement. I would say that for us, there's a minimum here that we should adopt, and that's 60%.

I just want to note as well that this amendment also drives the program and the act to support local investment and development, which I think, again, is going to be critical if you're going to use this act for development of our economy.

The Chair (Mr. David Oraziotti): Okay. All in favour of NDP motion 38?

Mr. Peter Tabuns: Recorded vote.

Ayes

Tabuns.

Nays

Broten, Jeffrey, Kular, Mauro, Mitchell.

The Chair (Mr. David Oraziotti): The motion is lost. Government motion 39: Ms. Mitchell.

Mrs. Carol Mitchell: I move that subsection 25.35(2) of the Electricity Act, 1998, as set out in section 7 of schedule B to the bill, be struck out and the following substituted:

"Minister's directions

"(2) Where the minister has issued a direction under subsection (1), the minister may issue, and the OPA shall follow in preparing its feed-in tariff program, directions that set out the goals to be achieved during the period to be covered by the program, including goals relating to,

"(a) the participation by aboriginal peoples in the development and establishment of renewable energy projects; and

"(b) the involvement of members of the local community in the development and establishment of renewable energy projects.

"Same, domestic content

"(2.1) Where the minister has issued a direction under subsection (1), the minister shall issue, and the OPA shall follow in preparing its feed-in tariff program, directions that set out the goals relating to domestic content to be achieved during the period to be covered by the program."

The Chair (Mr. David Oraziotti): Any comments? Ms. Broten.

Ms. Laurel C. Broten: This proposed amendment requires the minister to include domestic content goals, if the minister directs the OPA to develop a feed-in tariff program.

The Chair (Mr. David Oraziotti): Mr. Tabuns.

Mr. Peter Tabuns: I'm going to support the resolution, but I have to say that it's far weaker than it should be. It could be much stronger than this. Frankly, I think it undermines the capacity of the act to actually deliver the investment that this province needs.

The Chair (Mr. David Oraziotti): All in favour of government motion 39? Opposed? The motion is carried.

NDP motion 40: Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that subsection 25.35(3) of the Electricity Act, 1998, as set out in section 7 of schedule B to the bill, be struck out and the following substituted:

"Definition

"(3) In this section,

"'feed-in tariff program' means a program for procurement, including a procurement process, providing standard program rules, standard contracts and standard pricing regarding classes of generation facilities differentiated by energy source, fuel type, natural resource intensity, generator capacity and the manner by which the generation facility is used, deployed, installed or located."

The issue here—and this came up in the Soo, in London, in Ottawa and in other presentations—is the need to have different feed-in tariff scales depending on local resource intensity, if you wanted to have a very diversified or dispersed program of investment for renewable energy. This is consistent with what the green energy alliance has called for, what renewable power developers are calling for, and it's consistent with programs developed in Europe. I think it should be part of the program here.

The Chair (Mr. David Oraziotti): Ms. Broten, comments?

Ms. Laurel C. Broten: The Green Energy Act, in its current form, provides flexibility to look at options such as this in the future, and accordingly, an amendment such as this one is not necessary.

The Chair (Mr. David Oraziotti): All those in favour of NDP motion 40? Opposed? The motion is lost.

Shall schedule B, section 7, as amended, carry? All those in favour? Opposed? It's carried.

Schedule B, section 8, Conservative motion 40.1: Mr. Bailey.

Mr. Robert Bailey: I move that subsection 25.36(1) of the Electricity Act, 1998, as set out in section 8 of schedule B to the bill, be amended by striking out "shall" in the portion before clause (a) and substituting "may."

This would have the effect of making a mandatory connection to a transmission or distribution system. This could be fraught with major difficulties, all because of one word—"shall"—although the mandatory power is mitigated in 25.36(1)(b), where reliance is based on the applicable technical requirements, which have yet to be determined. All connection and related cost issues should simply be left to the independent regulatory supervision of the Ontario Energy Board, not this section or any government or pursuant to any regulation.

The Chair (Mr. David Oraziotti): Any further comment? Ms. Broten.

Ms. Laurel C. Broten: This motion would remove mandatory as-of-right connection access for renewable energy generators, contrary to provincial policy direction. Under the proposed Green Energy Act, mandatory connection will be subject to the applicable technical, economic and regulatory standards, including an economic test being developed by the OPA, and will be overseen by the regulator to ensure appropriate prudence, but the mandatory as-of-right connection is absolutely a critical component.

1630

The Chair (Mr. David Oraziotti): Any further comment? All those in favour of Conservative motion 40.1? Opposed? The motion is lost.

Motion 40.2: Mr. Bailey.

Mr. Robert Bailey: I move that section 25.36 of the Electricity Act, 1998, as set out in section 8 of schedule B to the bill, be amended by adding the following subsection:

“Connection and related costs

“(2.1) The board shall regulate all connection and related costs incurred as the result of connecting a renewable energy generation facility to a transmitter’s transmission system or a distributor’s distribution system and, despite subsection (2), in the event of a conflict between a regulation referred to in subsection (1) and an order of the board with respect to connection and related costs, the order prevails.”

The Chair (Mr. David Oraziotti): Ms. Broten, comments?

Ms. Laurel C. Broten: We don’t support this amendment.

Mr. John Yakabuski: We’re not surprised.

The Chair (Mr. David Oraziotti): Conservative motion 40.2: All those in favour? Opposed? The motion is lost.

Shall schedule B, section 8, carry? Carried.

Schedule B, section 9: There are no amendments. Shall the section carry? Carried.

Schedule B, section 10: government amendment 41. Ms. Mitchell, go ahead.

Mrs. Carol Mitchell: I move that subsection 26(1.2) of the Electricity Act, 1998, as set out in section 10 of schedule B to the bill, be amended by striking out “a regulation made under subsection (1.1)” and substituting “a regulation referred to in subsection (1.1).”

Ms. Laurel C. Broten: This is a technical amendment.

The Chair (Mr. David Oraziotti): Any further comments? Government motion 41: All those in favour? Opposed? Carried.

Ms. Mitchell, number 42.

Mrs. Carol Mitchell: I move that subsection 26(1.3) of the Electricity Act, 1998, as set out in section 10 of schedule B to the bill, be amended by striking out “A regulation made under subsection (1.1)” and substituting “A regulation referred to in subsection (1.1).”

The Chair (Mr. David Oraziotti): Any further comment? All those in favour of government motion 42? Opposed? Carried.

Shall schedule B, section 10, as amended, carry? Carried.

Schedule B, sections 11 and 12: There are no amendments. Shall those sections carry? Carried.

New proposed section, schedule B, section 12.1: NDP motion number 43. Mr. Tabuns.

Mr. Peter Tabuns: I move that schedule B of the bill be amended by adding the following section:

“12.1 Subsection 53.1(1) of the act is repealed and the following substituted:

“(1) The objects of Ontario Power Generation Inc. include, in addition to any other objects, owning and operating generation facilities, including renewable energy generation facilities.”

The Chair (Mr. David Oraziotti): Any further comment?

Mr. Peter Tabuns: Chair, a few points here. One is that if we’re actually going to move a lot of people in OPG to support renewable energy, they are going to have to see that there’s some future for OPG. One of those futures has got to be an investment in renewable power, so in terms of moving a block of people in this—

The Chair (Mr. David Oraziotti): Sorry, Mr. Tabuns. Legislative counsel has indicated that the motion is out of order, so we’re going to have to—

Mr. Peter Tabuns: Oh, legislative counsel.

Mr. John Yakabuski: Is this motion 43?

The Chair (Mr. David Oraziotti): That’s right.

Mr. John Yakabuski: Out of order?

The Chair (Mr. David Oraziotti): Out of order.

Mr. Peter Tabuns: On what basis?

The Chair (Mr. David Oraziotti): Section 53.1 is not open, so you can’t amend it.

We’ll have to move to schedule B, section 13, NDP motion 44, if you want to start with that one, Mr. Tabuns.

Mr. Peter Tabuns: I move that section 88 of the Electricity Act, 1998, as set out in section 13 of schedule B to the bill, be amended by adding the following clause:

“(d.3) a First Nation community that generates, transmits, distributes or retails electricity directly or indirectly, or a corporation or other entity owned by the members of the First Nation community for the purpose of generating, transmitting, distributing or retailing electricity.”

This was raised by the Green Energy Act Alliance and it provides opportunities for development of renewable power by First Nations communities. I think it’s needed in the act to ensure that they have an opportunity to be part of the development of green power in this province.

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: There’s nothing in the Green Energy Act that prevents First Nations from participating in the feed-in tariff program. In fact, the Green Energy Act has a number of provisions which seek to encourage that development, either on their own, in partnership with LDCs or as part of community co-operatives. The OPA

will be establishing a provincial aboriginal program to ensure that costs associated with renewable energy projects can be recovered.

The Chair (Mr. David Oraziotti): Okay, thank you. All those in favour of NDP motion number 44? Opposed? The motion is lost.

Shall schedule B, section 13, carry? Carried.

Schedule B, section 14: There are no amendments. Shall it carry? Carried.

Schedule B, section 15: government motion number 45. Ms. Mitchell.

Mrs. Carol Mitchell: I move that subsection 144(2) of the Electricity Act, 1998, as set out in section 15 of schedule B to the bill, be amended by striking out “established by a municipal corporation.”

The Chair (Mr. David Oraziotti): Any comments? All those in favour? Opposed? It’s carried.

NDP motion 46R: Mr. Tabuns.

Mr. Peter Tabuns: I move that clause 144(2)(a) of the Electricity Act, 1998, as set out in section 15 of schedule B to the bill, be amended by striking out “that does not exceed 10 megawatts.”

I don’t see any reason why we should be limiting municipal involvement. There was a request on the part of municipalities to remove that cap, and I think it would be in the interests of the government to accelerate development of renewable power by letting municipalities engage as fully as they possibly want to.

The Chair (Mr. David Oraziotti): Any comments?

Ms. Laurel C. Broten: The 10-megawatt size limit will ensure that smaller community-scale projects are enabled and that the focus is on customer programs such as rooftop solar rather than on large generation. Larger projects could still be developed by LDCs through affiliates.

The Chair (Mr. David Oraziotti): All those in favour of NDP motion number 46? Opposed? The motion is lost.

NDP motion number 47: Mr. Tabuns.

Mr. Peter Tabuns: I move that section 144 of the Electricity Act, 1998, as set out in section 15 of schedule B to the act, be amended by adding the following subsection:

“Exception

“(2.1) A private corporation shall not generate electricity if the generation facility is a renewable energy generation facility that exceeds 10 megawatts.”

There’s an ongoing push to privatize power generation in Ontario, and this amendment is meant to cap that push.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: To date, private corporations have successfully developed most of the wind generation developed in Ontario. Bill 150 provides many new opportunities for other parties, including municipalities, aboriginal peoples, renewable energy co-operatives and community members, to participate in renewable energy generation.

The Chair (Mr. David Oraziotti): All those in favour of NDP motion number 47? Opposed? The motion is lost.

NDP motion number 48: Mr. Tabuns.

1640

Mr. Peter Tabuns: I move that subsection 144(3) of the Electricity Act, 1998, as set out in section 15 of schedule B to the bill, be struck out and the following substituted:

“Definition

“(3) In this section,

“‘municipal services corporation’ means a corporation established by a municipal corporation under section 203 of the Municipal Act, 2001 or under section 148 of the City of Toronto Act, 2006 and a First Nation services corporation established under the laws of Ontario or of Canada.”

Again, this is to allow First Nations the opportunity to engage in development of renewable electricity in this province. It’s been noted by the government a number of times that they are not prohibited from participating, but given that municipalities are being named as being allowed to engage, I think that First Nations should also be named as being allowed to engage in development of renewable power.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: The amendment is not necessary as the Ontario government is currently working to empower aboriginal communities by providing additional opportunities for their participation including, but not limited to, the budget 2009 announcement of \$250 million in a loan guarantee program to support aboriginal equity participation in renewable energy and transmission facilities, amongst others.

The Chair (Mr. David Oraziotti): Thank you. NDP motion 48: All those in favour? Opposed? Okay, the motion is lost.

Shall schedule B, section 15, as amended, carry? Carried.

Schedule B, section 16: there are no amendments. Shall section 16 carry? Carried.

We have a couple of motions, 27 and 28, that we waited on here until we came into schedule C. Once we do that, we’ll come back to B and vote on the entire section.

Schedule C, section 1: there are no amendments. Shall schedule C, section 1 carry? Carried.

Section 2: there are no amendments. Shall it carry? Carried.

Section 3 of schedule C, NDP motion 49: Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that section 2 of the Ministry of Energy Act, as set out in section 3 of schedule C to the bill, be amended by adding the following subsections:

“Energy Efficiency Ontario

“(2) There shall be established within the ministry an office known in English as Energy Efficiency Ontario and in French as Bureau des économies d’énergie to pro-

vide leadership in planning, co-ordination and delivery of measures for energy efficiency and conservation in Ontario and to engage in such activities as may be prescribed in the regulations.

“Director of Energy Efficiency Ontario

“(3) The minister shall appoint a director of energy efficiency who shall be responsible for managing and supervising Energy Efficiency Ontario, including the direction and management of the ministry’s energy efficiency and conservation activities, projects and programs, reporting to the Deputy Minister of Energy and Infrastructure.

“Annual report

“(4) At least 30 days before the beginning of the following fiscal year, the director of energy efficiency shall submit a report to the minister that includes,

“(a) Energy Efficiency Ontario’s proposals for the following fiscal year regarding steps to be taken,

“(i) to promote energy efficiency and conservation,

“(ii) to achieve reductions in energy demand and promote management of energy demand to assist the government of Ontario in achieving goals in energy conservation,

“(iii) to facilitate the provision of services relating to energy efficiency and conservation, and

“(iv) to coordinate energy efficiency and conservation activities, projects and programs among provincial agencies, including the Ontario Power Authority; and

“(b) a detailed description of the steps taken to implement the current year’s proposals and detailed information on the results achieved.

“Same

“(5) The director of energy efficiency shall make the report public within seven days of submitting it to the minister.”

Very simply, we need to be looking far beyond electricity if we’re going to deal with climate change and deal with energy issues in this province and energy issues in this country. We spend about \$40 billion a year on energy in Ontario, and about \$8 billion to \$9 billion of that is electricity. There is huge scope for energy efficiency far beyond electricity, and that should be part of the mandate and direction given to the minister in this province.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: The ministry has an energy efficiency branch that fulfills the functions of the office described in the motion, so a new entity is not required. The motion is inconsistent with the provisions in the Green Energy Act that establish an independent and expanded reporting role for the Environmental Commissioner in Ontario, as well as increased responsibility for the LDCs for delivery of conservation programs and reporting.

The Chair (Mr. David Oraziotti): Motion number 49, NDP motion: All those in favour? Opposed? The motion is lost.

Shall schedule C, section 3 carry? Carried.

Section 4: There are no amendments. Shall it carry? Carried.

Section 5: There are no amendments. Shall it carry? Carried.

Section 6: NDP motion number 50.

Mr. Peter Tabuns: I move that clause 8(1)(d) of the Ministry of Energy Act, as set out in subsection 6(1) of schedule C to the bill, be struck out and the following substituted:

“(d) make recommendations for the effective coordination of all energy matters within the government of Ontario with a view to ensuring the consistent application of policy in every area of concern regarding energy, and despite the generality of the foregoing, with respect to,

“(i) energy efficiency and conservation,

“(ii) renewable energy sources,

“(iii) the adequacy and sustainability of energy sources and supplies,

“(iv) the development of energy resources indigenous to Ontario, and

“(v) the achievement of reductions in emissions of greenhouse gases and other environmental effects of energy production, and the adaptation of energy systems in Ontario to the impacts of climate change.”

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: This amendment is not necessary, as extensive responsibilities have already been given to the Environmental Commissioner to examine these and other issues.

The Chair (Mr. David Oraziotti): NDP motion number 50: All those in favour? Opposed? The motion is lost. NDP motion 51R.

Mr. Peter Tabuns: I move that clause 8(1)(h) of the Ministry of Energy Act, as set out in subsection 6(1) of schedule C to the bill, be struck out and the following substituted:

“(h) do as a priority, and in order of descending priority reflecting the order of the subclauses to this clause, any one or more of encouraging, promoting, developing or participating in such activities, projects and programs as the minister considers appropriate,

“(i) to stimulate all cost-effective energy conservation, through the establishment of programs and policies within the ministry or such agencies as may be prescribed, load management and the use of renewable energy sources throughout Ontario,

“(ii) to increase the availability of renewable energy in Ontario and to increase the use of renewable energy sources in Ontario, and

“(iii) to increase the availability of combined heat and power generating facilities in Ontario; and

“(i) do any one or more of encouraging, promoting, developing or participating in such activities, projects and programs as the minister considers appropriate,

“(i) to encourage prudence in the use of energy in Ontario,

“(ii) to stimulate the planning and increase the development of infrastructure in Ontario,

“(iii) to support planning by government and communities for growth and building strong communities in Ontario,

“(iv) to support community-owned renewable energy and energy conservation projects,

“(v) to ensure the adequacy and sustainability of energy sources and supplies in Ontario,

“(vi) to encourage prudence, resilience and adaptive capacity in the supply and use of energy in Ontario,

“(vii) to achieve reductions in emissions of greenhouse gases and other environmental effects of energy and infrastructure provision and use,

“(viii) to ensure the adaptation of energy and infrastructure systems in Ontario to the impacts of climate change,

“(ix) to stimulate the planning and increase the development of sustainable infrastructure in Ontario,

“(x) to support planning for sustainability and prosperity and building strong communities in Ontario, including adaptation to the impacts of climate change, and

“(xi) to increase the availability of energy in Ontario.”

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: The ministry's actions in different areas work in a complementary fashion, and it is not appropriate to prioritize the ministry's responsibilities as proposed in this amendment.

1650

The Chair (Mr. David Oraziotti): Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I would argue that there should be prioritization, that we should be setting out conservation and efficiency as central to this minister's responsibilities. If you're actually going to provide energy at a price that people can afford, the number one investment has to be efficiency and conservation. If you're going to be part of 21st-century technological development, you have to focus there in order to make sure we bring on board the manufacturing capacity and the intellectual capacity to make the products that are going to be needed in this century.

It is not enough just to put this bill upon the waters and let it drift where it may. It has to have direction, and that direction has to be set out with a hierarchy of directives that will shape how the minister allocates resources. I note, as well, that it's important for this minister to be looking at adaptation to climate change and taking into account greenhouse gas emissions when the minister carries out his or her task.

The Chair (Mr. David Oraziotti): Any further comment?

NDP motion number 51R: All those in favour? Opposed? The motion is lost.

Earlier, Mr. Tabuns indicated potential or proposed amendments 27 and 28. As a result, they are now out of order, because this section did not pass. However, we have to vote on schedule B.

Shall schedule B, section 2, carry? Carried.

Shall schedule B, as amended, carry? Carried.

We'll come back to schedule C, section 6: NDP motion number 52. Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that subsection 8(1) of the Ministry of Energy Act, as set out in subsection 6(1) of schedule C to the bill, be amended by adding the following clause:

“(j) authorize directives that would require the Ontario Energy Board to accord appropriate preferences for power generated by locally owned and controlled renewable power sources, including, but not limited to, price premiums and other preferences which may not be price-related.”

The idea that we should be providing opportunity to locally based economic enterprise—that we should be providing incentives for that—came up in presentations before this committee. This gives the minister direction to that end, and I think it will not only make the economy of Ontario stronger throughout the province—north, east, south and west—but it will also increase local development of technologies that we're going to need in this century.

The Chair (Mr. David Oraziotti): Any further comment?

Ms. Laurel C. Broten: The government will not be accepting this amendment. The proposed feed-in tariff rates already provide a higher tariff for community projects, and the OPA will be establishing a program to help cover costs associated with community-based renewable energy projects and ensuring that they can be recovered.

The Chair (Mr. David Oraziotti): NDP motion number 52: Those in favour? Opposed? The motion is lost.

Motion number 53: Mr. Tabuns.

Mr. Peter Tabuns: I move that subsection 8(1) of the Ministry of Energy Act, as set out in subsection 6(1) of schedule C to the bill, be amended by adding the following clauses:

“(k) ensure that no ministry of the government of Ontario or public agency, including but not limited to the Ontario Power Authority, Ontario Electricity Financial Corporation, Ontario Power Generation and the Independent Electricity System Operator, shall sign a contract with a generator that obliges the purchaser to pay for some or all of the generator's capital cost overruns associated with building or retrofitting a nuclear reactor;

“(l) ensure that no ministry of the government of Ontario or public agency shall act as the guarantor of debts of a generator associated with financing the construction or retrofit of nuclear reactors;

“(m) ensure that no ministry of the government of Ontario or public agency shall provide equity or debt financing for the construction or retrofit of nuclear reactors; and.”

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: This motion seeks to overturn clearly stated government policy that new-build nuclear and refurbished nuclear should be part of the future Ontario electricity supply mix. The Green Energy Act does not address nuclear procurement, as has been spe-

cifically clarified by previous amendments voted on by this committee.

The Chair (Mr. David Oraziotti): Mr. Tabuns.

Mr. Peter Tabuns: It's interesting: The Premier has made it clear in statements in the past that he won't accept overruns on nuclear investments, and we're debating a bill today that will give a fixed price for electricity produced by renewable energy facilities. This simply makes sure that facilities that produce nuclear power don't get to pass on their overruns to the rest of us and, frankly, that if an agency is going to develop nuclear power, it's going to have to prove its worth economically and not through support by taxpayers, period. So it's in fact consistent with what the government says can be done with nuclear: that it can be affordable and brought in at a fixed price.

The Chair (Mr. David Oraziotti): Any further comments?

NDP motion number 53: All those in favour? Opposed?

The motion is lost.

Number 54: Mr. Tabuns.

Mr. Peter Tabuns: I move that subsection 8(1) of the Ministry of Energy Act, as set out in subsection 6(1) of schedule C to the bill, be amended by adding the following clause:

"(n) establish leasing programs through agencies of the provincial government or in partnership or under contract with other organizations to lease to energy users in Ontario, in order to reduce consumption of fossil fuels and electricity,

"(i) solar thermal, geo-exchange, and other renewable thermal or cooling technologies, and

"(ii) energy-efficiency or conservation materials, installations or equipment."

We had a number of presentations in a number of jurisdictions saying that not only should we be addressing renewable electricity but renewable thermal. This, I think, is the method that would be most effective for the government to promote solar thermal technologies in this province, and one that should be part of this bill. It's the Green Energy Act, not just the green electricity act, and needs the inclusion of this sort of tool—lever—for the government to actually deliver what this province needs to have delivered.

The Chair (Mr. David Oraziotti): Further comments?

NDP motion number 54: All those in favour? Opposed?

The motion is lost.

Shall schedule C, section 6, carry? Carried.

Schedule C, section 7: There are no amendments. Shall it carry? Carried.

New proposed schedule C, section 7.1 is out of order. That's motion 55, Mr. Tabuns.

Mr. Peter Tabuns: Yes.

The Chair (Mr. David Oraziotti): Shall schedule C carry? Carried.

Schedule D, section 1: government motion number 56. Ms. Mitchell.

Mrs. Carol Mitchell: I move that paragraph 3 of subsection 1(1) of the Ontario Energy Board Act, 1998, as set out in section 1 of schedule D to the bill, be struck out and the following substituted:

"3. To promote electricity conservation and demand management in a manner consistent with the policies of the government of Ontario, including having regard to the consumer's economic circumstances."

The Chair (Mr. David Oraziotti): Any comments, Ms. Broten?

Ms. Laurel C. Broten: The amendment has been proposed to clarify that the economic circumstances of consumers will have a bearing on the board fulfilling its electricity conservation objectives.

The Chair (Mr. David Oraziotti): Any further comments?

Government motion number 56: All in favour? Carried

Number 57R: Mr. Tabuns.

Mr. Peter Tabuns: I move that subsection 1(1) of the Ontario Energy Board Act, 1998, as set out in section 1 of schedule D to the bill, be amended by adding the following paragraphs:

"6. To promote the priorities set out in clause 6(1)(h) of the Ministry of Energy and Infrastructure Act.

"7. To reduce overall consumption of electricity by a minimum of 25 terawatt hours per year by 2014.

"8. To add a minimum of 15 terawatt hours per year of renewable energy supply by 2014."

1700

The objective here, following on the example of the feed-in tariff laws in Germany, is to set a standard, a target that the government has to shoot for so that people—the Legislature—can hold them to account for their implementation or non-implementation of the bill before us. Without a target that people can cite, it will be very difficult for this government to actually be held to account for this bill.

The Chair (Mr. David Oraziotti): Motion 57R: Any comments? Ms. Broten.

Ms. Laurel C. Broten: Achieving specific targets in the areas of provincial electricity consumption and renewable energy supply is not the role of the Ontario Energy Board. This should be accomplished by other channels, particularly minister's directives to the Ontario Power Authority and subsequent implementation through the OPA's integrated power system plan. It is not appropriate for the OEB to promote all of the priorities of the ministry.

The Chair (Mr. David Oraziotti): NDP motion 57R: All those in favour? Opposed?

Mr. John Yakabuski: I haven't had a chance to speak to that.

Ms. Laurel C. Broten: You're not moving fast enough.

Mr. John Yakabuski: This is the one to reduce overall consumption?

The Chair (Mr. David Orazietti): The question has been put and voted on.

Mr. John Yakabuski: Well, you're not being very loud there, Mr. Chair.

The Chair (Mr. David Orazietti): I'll try to be louder for you, Mr. Yakabuski.

NDP motion 57R is lost.

Shall schedule D, section 1, as amended, carry? Carried.

Schedule D, section 2: NDP motion 58. Go ahead, Mr. Tabuns.

Mr. Peter Tabuns: I move that paragraph 5 of section 2 of the Ontario Energy Board Act, 1998, as set out in section 2 of schedule D to the bill, be struck out and the following substituted:

"5. To promote energy conservation and energy efficiency and to ensure the pursuit of all cost-effective opportunities for energy conservation and energy efficiency for all consumers in Ontario."

Very simply, we have to continue to build into this act and direct to all bodies that are involved with energy in this province that energy conservation and efficiency are our cheapest options, our best options. Frankly, in this act, making sure that the OEB is directed to pursue all cost-effective opportunities is to our advantage, consistent with the stated purpose of the government and something that should be supported.

The Chair (Mr. David Orazietti): Mr. Yakabuski.

Mr. John Yakabuski: It almost sounds a little bit like the last motion—the amendment that the NDP proposed where they actually set out some targets for energy conservation, reduction of energy usage, and also that the amount of renewable supply that we brought in would be brought into the system. So I'm actually speaking to that one because I support the principle behind it. I may not agree with the targets, but the problem with the government's bill is that they have established no targets whatsoever. It is kind of rich to be bringing in a bill that's 65 pages long and deals with so many things but doesn't actually establish targets.

I just wanted to get that in there. Thank you very much.

The Chair (Mr. David Orazietti): Further comments? NDP motion 58: All in favour? Opposed? The motion is lost.

Number 59: a government motion. Ms. Mitchell?

Mrs. Carol Mitchell: I move that paragraph 5 of section 2 of the Ontario Energy Board Act, 1998, as set out in section 2 of schedule D to the bill, be struck out and the following substituted:

"5. To promote energy conservation and energy efficiency in accordance with the policies of the government of Ontario, including having regard to the consumer's economic circumstances."

The Chair (Mr. David Orazietti): Further comment? Government motion 59: All those in favour? Opposed? Carried.

NDP motion 60: Mr. Tabuns.

Mr. Peter Tabuns: I move that schedule D of the bill be amended by adding the following subsection:

"(2) Section 2 of the act is amended by adding the following paragraph:

"7. To promote the priorities set out in clause 6(1)(h) of the Ministry of Energy and Infrastructure Act."

The Chair (Mr. David Orazietti): Any comments? All those in favour? Opposed? The motion is lost.

Number 61: Mr. Tabuns.

Mr. Peter Tabuns: I move that section 2 of schedule D of the bill, amending section 2 of the Ontario Energy Board Act, 1998, be amended by adding the following subsection:

"(3) Section 2 of the act is amended by adding the following subsection:

"Cost effectiveness

"(2) For the purposes of paragraph 5 of subsection (1), cost effectiveness

"(a) includes consideration of the environmental and social benefits of and environmental and social costs avoided as a result of energy efficiency and energy conservation initiatives; and

"(b) may, at the board's discretion, be assessed on a portfolio rather than an individual program or measure basis."

The concern here is to drive the policy that this act is supposed to fulfill towards energy efficiency and conservation as the central consideration, the one that will give us the most effect. For those in the north who have been affected by high energy rates, a province that invests in efficiency and conservation is going to make their situation better. For those in the south who are dealing with gas peaker plants and want to have some direction from the government to reduce the amount of money that's invested in gas plants, investment in efficiency and conservation is to their advantage.

Again, as I've said, if you want to be part of what's going to happen with energy in this century, you have to develop your expertise in efficiency and conservation. That's not going to happen unless the markets are there, and for the markets to be there, you have to have the government driving the agenda.

The Chair (Mr. David Orazietti): Ms. Broten.

Ms. Laurel C. Broten: The ministry, through its IPSP directives and various other directive-making abilities, is more effectively able to provide the appropriate policy context for the OEB to consider social and environmental externalities. Rather than holding the OEB directly responsible for such policy matters, Bill 150 has expanded the role of the OEB, and all players in the energy sector will have a role in pursuing all cost-effective energy conservation and energy efficiency, guided by the policy direction set by the ministry.

The Chair (Mr. David Orazietti): NDP motion 61: All those in favour? Opposed? The motion is lost.

Shall schedule D, section 2, as amended, carry? Carried.

Schedule D, section 3: government motion number 62. Ms. Mitchell.

Mrs. Carol Mitchell: I move that section 3 of the Ontario Energy Board Act, 1998, as amended by subsection 3(1) of schedule D to the bill, be amended by adding the following definition:

“‘distribute,’ with respect to electricity, means to convey electricity at voltages of 50 kilovolts or less; (‘distribuer’).”

The Chair (Mr. David Oraziotti): Government motion number 62: All those in favour? Opposed?

Mr. John Yakabuski: Can I ask an explanation as to—

The Chair (Mr. David Oraziotti): Mr. Yakabuski, go ahead.

Mr. John Yakabuski: What’s the purpose of adding that definition of “distribute”?

Ms. Laurel C. Broten: This is a technical amendment. The definition of “distribute” is moved from the OEBA, section 56, to the OEBA, section 3, in order to ensure that the definition can be utilized throughout the entire OEBA and is not limited to part V, the regulation of electricity, of the act.

Mr. John Yakabuski: Makes perfect sense.

The Chair (Mr. David Oraziotti): All those in favour of government motion number 62? Opposed? The motion is carried.

Government motion number 63: Ms. Mitchell.

Mrs. Carol Mitchell: I move that section 3 of the Ontario Energy Board Act, 1998, as amended by subsection 3(3) of schedule D to the bill, be amended by adding the following definition:

“‘transmit,’ with respect to electricity, means to convey electricity at voltages of more than 50 kilovolts; (‘transporter’).”

The Chair (Mr. David Oraziotti): Government motion number 63: All those in favour? Opposed? The motion is carried.

Shall schedule D, section 3, as amended, carry? Carried.

Schedule D, sections 4 and 5: There are no amendments. Shall they carry? Carried.

Schedule D, section 6: NDP motion 64. Mr. Tabuns.

Mr. Peter Tabuns: I move that paragraph 1 of subsection 26.1(1) of the Ontario Energy Board Act, 1998, as set out in section 6 of schedule D to the bill, be struck out and the following substituted:

“1. In respect of consumers in their service areas, gas and electricity distributors and licensed distributors.”

It provides the mechanism for the funding of energy efficiency and conservation.

1710

Ms. Laurel C. Broten: Government motion number 65 will provide the same clarity being sought in motion 64.

The Chair (Mr. David Oraziotti): All those in favour of NDP motion 64? Opposed? The motion is lost.

Government motion 65: Ms. Mitchell.

Mrs. Carol Mitchell: I move that section 26.1 of the Ontario Energy Board Act, 1998, as set out in section 6

of schedule D to the bill, be amended by adding the following subsections:

“Assessments, collection by gas distributors and licensed distributors

“(1.1) Gas distributors and licensed distributors may collect the amounts assessed under subsection (1) from the consumers or classes of consumers as are prescribed by regulation and in the manner prescribed by regulation.

“Assessments, IESO

“(1.2) The IESO may collect the amounts assessed under subsection (1) from market participants or classes of market participants as are prescribed by regulation and in the manner prescribed by regulation.”

The Chair (Mr. David Oraziotti): Government motion 65: Any debate? All those in favour? Opposed? The motion is carried.

NDP motion 66: Mr. Tabuns.

Mr. Peter Tabuns: I move that paragraph 1 of subsection 26.2(2) of the Ontario Energy Board Act, 1998, as set out in section 6 of schedule D of the bill, be struck out and the following substituted:

“1. To fund conservation or renewable energy programs aimed at decreasing consumption of electricity, fossil fuels, uranium or wood.”

Very simply, if you’re going to have conservation programs and you’re going to set out the materials you want to have reduced in consumption, uranium should be part of that list.

The Chair (Mr. David Oraziotti): Comments? Ms. Broten.

Ms. Laurel C. Broten: This motion misinterprets the intent of ministry programs that are based on helping end users to reduce their energy use. Uranium as a fuel is not directly consumed by end users. The list of fuels to be conserved does include electricity, which would include generation from nuclear stations.

The Chair (Mr. David Oraziotti): NDP motion number 66: All those in favour? Opposed? The motion is lost.

Schedule D, section 6: Shall it carry, as amended? Carried.

Schedule D, section 7: Conservative motion 60. It’s not an amendment.

Interjections.

The Chair (Mr. David Oraziotti): You can, but we voted on it and I called the question on it.

Mr. John Yakabuski: You didn’t say, “PC motion 66.1.”

The Chair (Mr. David Oraziotti): It’s not a motion; it’s a notice. You don’t vote on that separately. We voted on the section and I asked for any comments on that and called the question on it.

We’re moving to section 7. Conservative motion 66.2 is your motion.

Mr. John Yakabuski: I move that section 27.2 of the Ontario Energy Board Act, 1998, as set out in section 7 of schedule D to the bill, be struck out and the following substituted:

"Policy statements re conservation and demand management targets

"27.2(1) The minister may issue policy statements to the board that have been approved by the Lieutenant Governor in Council that request that the board consider steps specified in the statement to establish conservation and demand management targets to be met by distributors and other licensees.

"Policy statements, specified targets

"(2) To promote conservation and demand management, a policy statement may request that the board consider specifying, as a condition of a licence, the conservation targets associated with those specified in the statement, and the board may, in its discretion, apportion the targets between distributors and other licensees.

"Same

"(3) A policy statement made under subsection (2) may require the OPA to provide information to the board or to the ministry about the conservation targets referred to in subsection (2) or the contracts referred to in subsection (5).

"Policy statements re distributors

"(4) Subject to subsection (6), a policy statement may request that the board consider specifying, as a condition of a licence, that a distributor meet, at its discretion, any portion of its conservation target by seeking the approval of the board for the conservation and demand management programs to be offered in its service area.

"Policy statements, contracting with the OPA

"(5) A policy statement may request that the board consider specifying, as a condition of a licence, that a distributor meet, at its discretion, any portion of its conservation target by contracting with the OPA to meet the target through province-wide programs offered by the OPA.

"Hearings

"(6) A policy statement may request that board consider whether to hold a hearing, the circumstances which the board may consider in deciding whether or not to hold a hearing and, if a hearing is to be held, criteria the board may consider in determining the type of hearing to be held.

"Publication

"(7) A policy statement issued under this section shall be published in the Ontario Gazette."

The Chair (Mr. David Oraziotti): Any further comment? Go ahead.

Mr. John Yakabuski: Section 27.2 directives re conservation demand management targets: The government should not be in the business of abusing its directive powers to an independent regulatory agency such as the OEB, which is a specialized quasi-judicial tribunal. These directive powers should be removed and replaced with policy statements for the OEB to follow.

In subsections (2), (4), (6) and (7), a similar comment against the use of directive power applies. I have no problem with the directive power to the OPA in this section.

The Chair (Mr. David Oraziotti): Further comments? Ms. Broten.

Ms. Laurel C. Broten: This proposed amendment would make the establishment of conservation targets for distributors by the OEB a matter to be set through a request to the board by policy statement as opposed to a minister's directive. Minister's directives, once approved by the Lieutenant Governor in Council, are mandatory and carry the force of law. So, in effect, this motion would make it voluntary on the OEB to establish such conservation targets. Accordingly, the government cannot accept this amendment.

The Chair (Mr. David Oraziotti): Further comments? Seeing none, on motion 66.2, all those in favour? Opposed? The motion is lost.

Government motion 67: Ms. Mitchell.

Mrs. Carol Mitchell: I move that section 27.2 of the Ontario Energy Board Act, 1998, as set out in section 7 of schedule D to the bill, be amended by adding the following subsection:

"Public reporting

"(5.1) To promote a culture of conservation and demand management, a directive may require the board to specify, as a condition of a licence, that the licensee make public, by such means and at such time as specified in the directive, the steps that the licensee has taken to meet its targets and the results that have been achieved in meeting those targets."

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: This amendment allows the minister to require that distributors report publicly on their success in achieving the conservation and demand management targets set by the OEB.

The Chair (Mr. David Oraziotti): Further comment? All in favour of government motion 67? Opposed? The motion is carried.

NDP motion 68, Mr. Tabuns.

Mr. Peter Tabuns: I move that section 27.2 of the Ontario Energy Board Act, 1998, as set out in section 7 of schedule D to the bill, be amended by adding the following subsections:

"Pursuing energy conservation and energy efficiency

"(8) Distributors and other licensees shall pursue all cost-effective opportunities for energy conservation and energy efficiency in their service areas.

"Cost effectiveness

"(9) For the purposes of subsection (8), cost effectiveness

"(a) includes consideration of the environmental and social benefits, and environmental and social costs avoided as a result of energy efficiency and energy conservation initiatives; and

"(b) shall be assessed on a portfolio rather than individual program or measure basis."

Again, it's a question of driving this bill and driving those who are covered by this bill to see conservation and efficiency as the central part of what has to happen in this province, and if we don't require it, we're not going to get it.

The Chair (Mr. David Oraziotti): NDP motion 68: All those in favour? Opposed? The motion is lost.

Shall schedule D, section 7, as amended, carry? Carried.

Conservation motion 68.1: Mr. Yakabuski. Go ahead.
1720

Mr. John Yakabuski: It's kind of nice to have an opportunity.

I move that section 28.5 of the Ontario Energy Board Act, 1998, as set out in section 8 of schedule D to the bill, be struck out and the following substituted:

"Directives, smart grid

"28.5(1)"—

Interjection.

Mr. John Yakabuski: I can't pick up—Mr. Mauro is not coming into my mike. We have to get him wired differently.

"28.5(1) The minister may issue policy statements to the board that have been approved by the Lieutenant Governor in Council that request that the board consider steps specified in the statement relating to the establishment, implementation or promotion of a smart grid for Ontario.

"Hearings

"(2) A policy statement may request that the board consider whether to hold a hearing, and the circumstances which the board may consider in deciding whether or not to hold a hearing.

"Publication

"(3) A policy statement issued under this section shall be published in the Ontario Gazette."

Section 28.5, "Directives, smart grid"—this must be removed, and only be on policy advice from the Lieutenant Governor in Council to the OEB.

The Chair (Mr. David Oraziotti): Any further comments? Mr. Yakabuski.

Mr. John Yakabuski: Those were my comments.

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: Encouraging and facilitating the enhanced investment in the smart grid is critically important to maintaining Ontario's competitive position. Accordingly, we cannot accept this amendment, which seeks to use the words "policy statement" in place of "directive" and to advance the concept of best efforts as opposed to compliance.

The Chair (Mr. David Oraziotti): Further comments? Conservative motion 68.1: All those in favour? Opposed? The motion is lost.

Motion 68.2: Mr. Yakabuski, go ahead.

Mr. John Yakabuski: I move that section 28.6 of the Ontario Energy Board Act, 1998, as set out in section 8 of schedule D to the bill, be struck out and the following substituted:

"Policy statements, connections

"28.6(1) The minister may issue policy statements to the board that have been approved by the Lieutenant Governor in Council that request that the board consider steps specified in the statement relating to the connection of renewable energy generation facilities to a trans-

mitter's transmission system or a distributor's distribution system.

"Policy statements, transmission and distribution systems

"(2) A statement issued under subsection (1) may request that the board consider amending the licence conditions of distributors, transmitters and other licensees to take the actions specified in the statement in relation to their transmission systems, distribution systems or other associated systems, including enhancing, reinforcing or expanding their transmission system or distribution system.

"Hearings

"(3) A policy statement may request that the board consider whether to hold a hearing and the circumstances which the board may consider in deciding whether or not to hold a hearing.

"Guidelines re processes and timing

"(4) In relation to paragraph 5 of subsection 1(1), the minister may issue guidelines setting out goals or targets for the board in relation to its processes associated with the timely expansion or reinforcement of transmission systems and distribution systems to accommodate the connection of renewable energy generation facilities, including the timing of those processes and the time within which the board may complete the processes."

Same rationale as the last one: It should be policy advice from the Lieutenant Governor in Council to the OEB.

The Chair (Mr. David Oraziotti): Any comments? Ms. Broten.

Ms. Laurel C. Broten: A critical component of the Green Energy Act is to ensure that grids are continually expanded and upgraded to facilitate the connection of more renewable energy projects and to remove transmission and distribution constraints to greater renewable energy investment. The directive authority in this section is absolutely critical to ensuring that this policy goal can be met.

Mr. John Yakabuski: We just don't want—

The Chair (Mr. David Oraziotti): Mr. Yakabuski, would you like to comment?

Mr. John Yakabuski: It's, again, what we talked about so much in the hearings, where we're just putting everything in the hands of the minister to direct the electricity system in this province, basically sidestepping and overstepping and eviscerating the OEB. That's something that we think the bill should stop, or that they should stop using the bill in that way.

The Chair (Mr. David Oraziotti): Motion 68.2: All those in favour? Opposed? The motion is lost.

Shall schedule D, section 8, pass? Carried.

Schedule D, section 9, government motion 69: Ms. Mitchell.

Mrs. Carol Mitchell: I move that section 9 of schedule D to the bill be struck out and the following substituted:

"9. The definitions of 'distribute,' 'distribution system,' 'distributor,' 'IESO,' 'OPA,' 'transmission system,'

'transmit' and 'transmitter' in section 56 of the act are repealed."

The Chair (Mr. David Oraziotti): Any further comment? All those in favour of government motion 69? Opposed? The motion's carried.

Shall schedule D, section 9, as amended, carry? Carried.

Schedule D, section 10, government motion 70: Ms. Mitchell.

Mrs. Carol Mitchell: I move that section 70 of the Ontario Energy Board Act, 1998, as amended by section 10 of schedule D to the bill, be amended by adding the following subsection:

"Approvals, etc., with or without holding hearing

"(1.1) The board may, with or without a hearing, grant an approval, consent or make a determination that may be required for any of the matters provided for in a licensee's licence."

The Chair (Mr. David Oraziotti): Any comments on the government motion? All those in favour? Mr. Tabuns?

Mr. Peter Tabuns: Could the government clarify what that will mean in actual practice?

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: This amendment is seeking to clarify that approvals for determinations made by the OEB on matters relating to a distributor's or transmitter's licence can be made with or without a hearing. Other requirements for due process by the board in making approvals and determinations elsewhere in the Ontario Energy Board Act still apply.

The Chair (Mr. David Oraziotti): Any further comments? Government motion 70: All those in favour? Opposed? The motion is carried.

Conservative motion 70.1: Mr. Yakabuski.

Mr. John Yakabuski: I move that subsection 70(2.1) of the Ontario Energy Board Act, 1998, as set out in section 10 of schedule D to the bill, be amended and the following substituted:

"Same, transmitters and distributors

"(2.1) The conditions of a transmitter's or distributor's licence may include the following:

"1. The licensee may be required to provide, in the manner mandated by the market rules or by the board, priority connection access to its transmission system or distribution system for renewable energy generation facilities that meet the requirements prescribed by regulation made under subsection 26(1.1) of the Electricity Act, 1998.

"2. The licensee may be required to prepare plans, in the manner and at the times mandated by the board, and to file them with the board for approval for,

"i. the expansion or reinforcement of the licensee's transmission system or distribution system to accommodate the connection of renewable energy generation facilities, and

"ii. the development and implementation of the smart grid in relation to the licensee's transmission system or distribution system.

"3. The licensee may be required, in accordance with a plan referred to in paragraph 2 that has been approved by the board or in such other manner and at such other times as mandated by the board,

"i. to expand or reinforce its transmission system or distribution system to accommodate the connection of renewable energy generation facilities, and

"ii. to make investments for the development and implementation of the smart grid in relation to the licensee's transmission system or distribution system."

Section 70 of the act is amended to deem licence conditions for transmitters and distributors. This is offensive to the regulatory authority bestowed on the OEB. All of it should be removed from the legislation or, alternatively, possibly allowed as factors the OEB should consider in issuing licences to transmission and distribution companies. The exception in subsection (3), allowing a distributor to own and operate a 10-megawatt renewable energy facility or a generation facility, should not be allowed in the distribution company.

The Chair (Mr. David Oraziotti): Any comments? Ms. Broten.

Ms. Laurel C. Broten: Deemed licence conditions are central to the Green Energy Act in order to ensure that distributors and transmitters would immediately, under guidance from the OEB, begin preparation of plans for expansion, where needed. Furthermore, the proposed motion would reduce the crown's ability to regulate the electricity sector as it relates to the preparation of grid expansion plans for connection of renewable energy generation to the transmission and distribution systems.

1730

The crown's authority is provided for because of the many social, economic and environmental factors that need to be considered in policy development related to encouraging renewable energy generation.

The Chair (Mr. David Oraziotti): Any further comments?

Conservative motion 70.1: All those in favour? Opposed? The motion is lost.

Shall schedule D, section 10, as amended, carry? That section is carried.

Schedule D, section 11: Any debate on the section?

Mr. John Yakabuski: The Progressive Conservative caucus recommends voting against section 11 of schedule D of the bill.

The Chair (Mr. David Oraziotti): Any further comment?

Mr. John Yakabuski: No.

The Chair (Mr. David Oraziotti): Shall schedule D, section 11, carry? Carried.

Schedule D, section 12: government motion 71R.

Mrs. Carol Mitchell: I move that section 78 of the Ontario Energy Board Act, 1998, as amended by subsection 12(2) of schedule D to the bill, be amended by adding the following subsection:

"Methods re incentives or recovery of costs

“(3.0.5) The board may, in approving or fixing just and reasonable rates or in exercising the power set out in clause 70(2)(e), adopt methods that provide,

“(a) incentives to a transmitter or a distributor in relation to the siting, design and construction of an expansion, reinforcement or other upgrade to the transmitter’s transmission system or the distributor’s distribution system; or

“(b) for the recovery of costs incurred or to be incurred by a transmitter or distributor in relation to the activities referred to in paragraph (a).”

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: This provision is designed to support the implementation of a smart grid and to support priority access for and the connection of renewable energy generation facilities. This provision would allow the board enhanced flexibility to address cost recovery in relation to the capital investment plans to support priority access for renewable energy generation facilities.

The Chair (Mr. David Oraziotti): Any further comments? All in favour of government motion 71? Opposed? The motion is carried.

Motion 72R: Ms. Mitchell.

Mrs. Carol Mitchell: I move that section 12 of schedule D to the bill be amended by adding the following subsection:

“(3) Subsection 78(6) of the act is repealed and the following substituted:

““Conditions, etc.

“(6) An order under this section may include conditions, classifications or practices, including rules respecting the calculation of rates, applicable,

“(a) to the smart metering entity in respect of meeting its obligations;

“(b) to an activity prescribed for the purposes of subsection (3); and

“(c) to the transmission, distribution or retailing of electricity.”

The Chair (Mr. David Oraziotti): Any further comments? Ms. Broten?

Ms. Laurel C. Broten: This motion provides for a consequential amendment to clarify that the OEB has the authority to make rate orders which include conditions, classifications or practices relating to prescribed activities provided for under subsection 78(3).

The Chair (Mr. David Oraziotti): Further comments? Government motion 72: All those in favour? Opposed? The motion is carried.

Shall schedule D, section 12, as amended, carry? Carried.

Schedule D, section 13: There are no amendments. Shall the section carry? Carried.

Schedule D, section 14: NDP motion number 73. Mr. Tabuns.

Mr. Peter Tabuns: I move that section 79.1 of the Ontario Energy Board Act, 1998, as set out in section 14 of schedule D to the bill, be amended by adding the following subsections:

“Rate assistance programs for low-income consumers

“(1.1) The board shall design and implement a permanent rate assistance program for Ontario’s low-income consumers who are vulnerable to increases in shelter and utility costs.

“Same

“(1.2) The program shall include, but not be restricted to, components of rate affordability, arrears management, crisis intervention, conservation and demand management and consumer protections, to ensure that Ontario’s low-income consumers do not pay more than 6% of their total household income on energy.

“Same

“(1.3) The program shall be put in place on or before the day that is one year after the day the Green Energy and Green Economy Act, 2009 comes into force.”

Very simply, we have had presentations before us about low-income ratepayers who are in very difficult circumstances, some of them facing insecurity and potential eviction. People need support to carry high and rising energy costs, and this section, I think, would be consistent with what the government has said about the need to support those of low income.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: Government motion number 59, which was previously voted on at committee, requires the OEB to consider consumers’ economic circumstances when promoting energy conservation and energy efficiency. We agree that there is a necessity to have greater protection in our province from energy prices for low-income Ontarians. We look for opportunities to build on that, to offer greater protection for low-income people, and especially to identify low-income individuals and to target conservation initiatives at them so as to lessen the overall use of electricity as a strategy to try to make sure that their bills are more manageable.

The Ontario Energy Board has recently announced a low-income energy assistance program, which will be a significant board undertaking to address emergency relief, arrears management, and conservation and demand management initiatives.

The Chair (Mr. David Oraziotti): Any further comments?

Mr. John Yakabuski: Yes. It’s clear by this request for an amendment on the part of the NDP and by the government’s response to it that they know that prices for electricity under this act are going up substantially, even though the minister continues to insist that it will mean nothing on our electricity bills. We haven’t had a single person come to the hearings, in any of the seven days that we had hearings, and agree with the minister of that issue. But I guess it’s part of his messaging that he’s going to continue with that he insists that this is going to add 1% per year to a person’s electricity bill when there’s not a credible group, person or forecaster out there that agrees with him.

I understand the NDP coming forth with an amendment like this because they have grave concerns for the financial health of so many of our low-income people and for what effects this act is going to have on them. I

have a tendency to agree with them, but I'll probably still vote against their amendment because, listen, they haven't voted for a single one of mine. But I do certainly understand where they're coming from, and it's wrong-headed of this government to keep insisting that it's not going to mean anything, but everything they do supports the position that the act is going to be very, very costly for electricity consumers.

The Chair (Mr. David Oraziotti): Motion number 73: Any further comments? All those in favour? Opposed? The motion is lost.

Motion number 74: Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that section 79.1 of the Ontario Energy Board Act, 1998, as set out in section 14 of schedule D to the bill, be amended by adding the following subsection:

"Same, rules

"(3.1) The following rules apply with respect to this section:

"1. The class of consumers who make contributions under subsection (3) to compensate a distributor under subsection (2) is not limited to consumers in the distributor's service area but includes all consumers.

"2. For the purposes of subsection (1), the costs to make an eligible investment for the purpose of connecting or enabling the connection of a qualifying generation facility, where the generation facility is a renewable energy generation facility, include all connection costs and enabler line costs beyond on-site connection cost for renewable energy generation."

1740

This is taken from recommendations made to us by the green energy alliance and others who presented to us about the need for what they refer to as "shallow connection costs" for renewable energy projects, and that is that the cost of connecting to the system be limited, rather than requiring them to pay for the costs of extended connection to the grid. If we put renewable energy generators in a position where they have to pay extended costs, we will substantially discourage investment in renewable energy in this province.

This is a reasonable approach. This whole province will benefit from the economic development spinoffs from investment in renewable energy, from the reduction in air pollution and from the development of energy independence, and it makes sense for us to make these investments for an infrastructure that will allow them to connect.

The Chair (Mr. David Oraziotti): NDP motion number 74: Any comments? Ms. Broten.

Ms. Laurel C. Broten: The GEA already empowers the OEB to spread distribution cost upgrades equitably among customers, and the OPA and the OEB are currently developing an appropriate economic test that will be applied to all renewable energy projects to determine the appropriate connection costs, as is done in jurisdictions such as Germany.

Mr. Peter Tabuns: Then the government should have no problem supporting this amendment.

Interjection.

Mr. Peter Tabuns: I don't think they were asking for it because they thought it was redundant; I think the groups were asking for it because they thought it was necessary.

The Chair (Mr. David Oraziotti): NDP motion number 74: All those in favour? Opposed? The motion is lost.

Motion number 75: Mr. Tabuns.

Mr. Peter Tabuns: I move that section 79.1 of the Ontario Energy Board Act, 1998, as set out in section 14 of schedule D to the bill, be amended by adding the following subsection:

"No recovery of cost overruns associated with nuclear reactors

"(4.1) The board shall not allow entities that it regulates, including but not restricted to Ontario Power Generation and Bruce Power, to recover from consumers their capital cost overruns associated with the construction or retrofit of nuclear reactors."

The situation is that we, in going through this bill, are setting a fixed price for renewable energy generation. We should have the same regulatory regime for nuclear power generators. Frankly, if you want investment in green energy renewable power in this province, there has to be a balancing of the playing field. The fact that nuclear power is allowed to overrun without economic consequences for the proponents is of great concern to this province. It has damaged our electricity system; it has damaged our competitiveness.

The Toronto Dominion Bank put out a paper within the last 12 months authored by Don Drummond talking about the loss of the affordability advantage that Ontario has and pointing to nuclear power as one of the central pieces of the problem in this province. For us to continue to provide the nuclear industry with a backstop means that power prices in this province are going to be driven up substantially, and we should not be allowing that. We have an opportunity, with the bill before us, to make a difference, and we should be taking that opportunity.

The Chair (Mr. David Oraziotti): Further comment?

Ms. Laurel C. Broten: The Ontario Energy Board already has the legal authority and ability to determine whether costs are prudently incurred and to allow recovery of only prudently incurred costs.

With respect to the current nuclear process, for the first time we are using a competitive commercial process to select our nuclear vendor from three leading international companies, and the process will help us ensure that we get the best deal for Ontarians.

Mr. Peter Tabuns: In the United States they've had substantial problems with the cost of new builds. In Finland, there are substantial problems with Areva and its new build. I don't think that simply having a competitive process is adequate to protect consumers in this province. Frankly, it should be very clear, in the directions to the OEB in statute, that the taxpayers and consumers of this province aren't going to carry the can.

I think the government and the opposition, particularly the opposition, given their concerns over costs, should be

supporting a restriction on the passing on of overruns to taxpayers and ratepayers.

Ms. Laurel C. Broten: As I've said, we're committed to running a fair and transparent and competitive process, and our deal is to get the best possible deal for Ontarians with respect to the lifetime cost of power, the ability to meet Ontario's timetable and the level of investment in Ontario.

Mr. Peter Tabuns: Recorded vote.

Ayes

Tabuns.

Nays

Bailey, Broten, Kular, Mauro, Mitchell, Yakabuski.

The Chair (Mr. David Oraziotti): The motion is lost. NDP motion 76: Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that section 79.1 of the Ontario Energy Board Act, 1998, as set out in section 14 of schedule D to the bill, be amended by adding the following subsection:

"Right of first refusal

"(5.1) If a non-profit renewable energy generator ceases operation, non-profit purchasers, including OPG, distributors and municipalities, shall have the first right of refusal for purchase of the renewable energy generation facility."

Very simply, if we want to give benefit to non-profit and community producers through this bill, should they go out of business, the public should be able to continue to benefit from that initial investment by having first right of refusal to purchase those facilities. It's consistent, again, with what the government says is its direction, and one that should be included in this act.

The Chair (Mr. David Oraziotti): Ms. Broten.

Ms. Laurel C. Broten: As set out in the GEA, we want to encourage all sectors to participate in renewable energy projects, and the GEA brings forward a number of initiatives to make this a priority. This proposed amendment we cannot accept, however, because we are of the view that it could have the unintended consequence of making it more difficult for non-profit groups to raise capital in their financing due to concerns about the difficulty associated with the sale of the project.

The Chair (Mr. David Oraziotti): Further debate? NDP motion 76: All those in favour? Opposed? The motion is lost.

Shall schedule D, section 14, carry? The section is carried.

Schedule D, section 15, government motion 77: Ms. Mitchell.

Mrs. Carol Mitchell: I move that clause 88(1)(g.3.2) of the Ontario Energy Board Act, 1998, as set out in section 15 of schedule D to the bill, be struck out and the following substituted:

"(g.3.2) governing,

"(i) the capacity of a renewable energy generation facility referred to in clause 71(3)(a) and criteria for a renewable energy generation facility for the purposes of clause 71(3)(a),

"(ii) criteria for a generation facility that uses technology that produces power and thermal energy from a single source for the purposes of clause 71(3)(b), and

"(iii) criteria for an energy storage facility for the purposes of clause 71(3)(c)."

The Chair (Mr. David Oraziotti): Any questions, comments on government motion 77?

Mr. Peter Tabuns: Could we just have an explanation of the intended purpose?

The Chair (Mr. David Oraziotti): Go ahead, Ms. Broten.

Ms. Laurel C. Broten: This is a technical amendment designed to clarify the scope of the regulation-making authority in relation to subsection 71(1). The revisions are designed to ensure that all elements provided for in the substantive provision, subsection 71(3), match the applicable elements of the regulation-making authority.

The Chair (Mr. David Oraziotti): All those in favour of government motion 77? Opposed? The motion is carried.

Shall schedule D, section 15, as amended, carry? Carried.

Schedule D, section 16: There are no amendments. Shall the section carry? Carried.

New proposed government section, schedule D, section 16.2: Ms. Mitchell, motion 78.

Mrs. Carol Mitchell: I move that schedule D to the bill be amended by adding the following section:

"16.2 Paragraph 6 of subsection 107(2) of the act is amended by striking out '78.4' and substituting '78.5.'"

The Chair (Mr. David Oraziotti): Any further comments? All in favour of government motion 78? Carried.

Schedule D, sections 17 and 18: There are no amendments. Shall sections 17 and 18 carry? Carried.

Shall schedule D, as amended, carry? Carried.

Schedule E, section 1: There are no amendments. Shall section 1 carry? Carried.

Schedule E, section 2: There are no amendments. Shall section 2 carry? Carried.

Schedule E: There is an NDP notice. Mr. Tabuns, would you like to speak to it?

1750

Mr. Peter Tabuns: Yes. We recommend voting against schedule E to the bill. Mark Winfield made a very useful presentation about the need to retain the public right of appeal on approvals. He makes a good argument that there's little evidence that environmental approvals are a serious barrier to the development of renewable energy projects in this province and, to that end, we should leave those energy approvals subject to appeal on an environmental basis.

The Chair (Mr. David Oraziotti): Okay, so the debate is on schedule E. Shall schedule E carry?

Mr. Peter Tabuns: Recorded vote, please.

Ayes

Broten, Jeffrey, Kular, Mauro, Mitchell.

Nays

Tabuns.

The Chair (Mr. David Orazietti): That's carried. Schedule F, section 1: government amendment 80.

Mrs. Carol Mitchell: I move that subsection 58.1(3) of the Environmental Bill of Rights, 1993, as set out in schedule F to the bill, be amended by striking out "in the first half of 2010" and substituting "before the end of 2010."

The Chair (Mr. David Orazietti): Any further comment? Government motion 80: All those in favour? Opposed? Carried.

Government motion 81.

Mrs. Carol Mitchell: I move that section 58.1 of the Environmental Bill of Rights, 1993, as set out in section 1 of schedule F to the bill, be amended by adding the following subsection:

"Powers

"(2.1) In addition to his or her powers under section 60, the Environmental Commissioner may, for the purpose of this section, require any of the following persons to prepare and submit to the commissioner, within such time as is specified by the commissioner, a report containing such information as is specified by the commissioner:

"1. The Ontario Energy Board.

"2. The Ontario Power Authority.

"3. The Independent Electricity System Operator.

"4. The smart metering entity within the meaning of the Electricity Act, 1998.

"5. A generator, transmitter or distributor, as those terms are defined in the Electricity Act, 1998.

"6. A gas distributor, gas transmitter, producer or storage company, as those terms are defined in the Ontario Energy Board Act, 1998.

"7. Any other prescribed person or class of persons."

The Chair (Mr. David Orazietti): Comments to government motion 81?

Ms. Laurel C. Broten: This section gives the Environmental Commissioner additional power to require the listed persons and those prescribed by regulation to prepare and submit a report containing whatever information that the commissioner requires related to energy conservation.

The Chair (Mr. David Orazietti): All those in favour?

Interjection.

The Chair (Mr. David Orazietti): A call for a recorded vote.

Ayes

Broten, Jeffrey, Mauro, Mitchell, Tabuns.

The Chair (Mr. David Orazietti): The motion carries.

Government motion 82.

Mrs. Carol Mitchell: I move that section 58.2 of the Environmental Bill of Rights, 1993, as set out in section 1 of schedule F to the bill, be amended by adding the following subsection:

"Powers

"(2.1) In addition to his or her powers under section 60, the Environmental Commissioner may, for the purpose of this section, require a prescribed person or class of persons to prepare and submit to the commissioner, within such time as is specified by the commissioner, a report containing such prescribed information as is specified by the commissioner."

The Chair (Mr. David Orazietti): Any comments? All in favour of government motion 82? Carried.

NDP motion 83.

Mr. Peter Tabuns: I'll withdraw 83 and 84.

The Chair (Mr. David Orazietti): Okay. Shall schedule F, section 1 carry as amended? Carried.

Schedule F, section 2: There are no amendments. Shall it carry? Carried.

Shall schedule F, as amended, carry? Carried.

Schedule G, sections 1, 2 and 3. There are no amendments.

Shall sections 1, 2 and 3 carry? Carried.

Schedule G, section 4: NDP motion number 85. Mr. Tabuns, go ahead.

Mr. Peter Tabuns: I move that section 47.5 of the Environmental Protection Act, as set out in subsection 4(1) of schedule G to the bill, be amended by adding the following subsection:

"Environmental Bill of Rights, 1993

"(5) A proposal to issue, amend or revoke a renewable energy approval shall be deemed, for the purposes of the Environmental Bill of Rights, 1993, to be prescribed by the regulations under that act as a proposal for a Class II instrument."

The Chair (Mr. David Orazietti): Further comments?

Mr. Peter Tabuns: The approvals for renewable energy projects and facilities should be considered instruments for the purposes of the EBR. It increases the power of citizens who want to make sure that environmental protection is incorporated into any power development. I'm not happy with the section as a whole, but putting in this amendment would, at a minimum, be helpful to some.

The Chair (Mr. David Orazietti): Ms. Broten.

Ms. Laurel C. Broten: The government cannot support this motion, because it's inconsistent with the basic policy and framework of the EBR, whereby instruments are prescribed by regulation, not by legislation—the act sets out a process for classifying instruments. The motion is also contrary to the policy of creating a specialized third-party appeal process for renewable energy approvals.

The Chair (Mr. David Orazietti): Any further comments?

NDP motion number 85: All those in favour? Opposed? The motion is lost.

Conservative motion number 85.1: Mr. Yakabuski.

Mr. John Yakabuski: I move that subsection 4(1) of schedule G to the bill be amended by adding the following subsection to section 47.5 of the Environmental Protection Act:

“Environmental assessment required for wind energy facilities

“(5) The director shall not issue a renewable energy approval for a renewable energy project that involves a renewable energy generation facility that generates electricity from wind unless approval to proceed with the project has been given under part II of the Environmental Assessment Act.”

The Chair (Mr. David Orazietti): Any further comments?

Mr. John Yakabuski: I think it's self-explanatory.

The Chair (Mr. David Orazietti): All those in favour of Conservative motion 85.1? All those opposed? The motion is lost.

Government motion number 86. Ms. Mitchell, go ahead.

Mrs. Carol Mitchell: I move that subsection 47.7(1) of the Environmental Protection Act, as set out in subsection 4(1) of schedule G to the bill, be struck out and the following substituted:

“Policies, renewable energy approvals

“47.7(1) The minister may, in writing, issue, amend or revoke policies in respect of renewable energy approvals.

“Same

“(1.1) A policy or the amendment or revocation of a policy takes effect on the later of the following days:

“(1) The day that notice of the policy, amendment or revocation, as the case may be, is given in the environmental registry established under the Environmental Bill of Rights, 1993.

“(2) The effective day specified in the policy, amendment or revocation, as the case may be.”

The Chair (Mr. David Orazietti): Any further comments?

Seeing none, all in favour of government motion 86? Opposed? The motion is carried.

Shall schedule G, section 4, as amended, carry? Carried.

Schedule G, sections 5, 6, 7 and 8. There are no amendments.

Shall those sections carry? Carried.

Schedule G, section 9. Government motion 87. Ms. Mitchell.

Mrs. Carol Mitchell: I move that section 142.1 of the Environmental Protection Act, as set out in section 9 of schedule G to the bill, be struck out and the following substituted:

“Hearing re renewable energy approval

“142.1(1) This section applies to a person resident in Ontario who is not entitled under section 139 to require a hearing by the tribunal in respect of a decision made by the director under section 47.5.

“Same

“(2) A person mentioned in subsection (1) may, by written notice served upon the director and the tribunal within 15 days after a day prescribed by the regulations, require a hearing by the tribunal in respect of a decision made by the director under clause 47.5(1)(a) or subsection 47.5(2) or (3).

“Grounds for hearing

“(3) A person may require a hearing under subsection (2) only on the grounds that engaging in the renewable energy project in accordance with the renewable energy approval will cause,

“(a) serious harm to human health; or

“(b) serious and irreversible harm to plant life, animal life or the natural environment.”

The Chair (Mr. David Orazietti): Any further comments? Ms. Broten.

Ms. Laurel C. Broten: The early parts with respect to the amendment are technical in nature. Subsection (3) seeks to make consistent the grounds of appeal and reflects the government's intention to ensure that serious harm to human health is a key priority.

The Chair (Mr. David Orazietti): Any further comments?

Government motion 87: All those in favour? Opposed? The motion is carried.

NDP motion number 88: Mr. Tabuns, go ahead.

Mr. Peter Tabuns: Withdrawn, and 89 as well, Mr. Chair.

The Chair (Mr. David Orazietti): Sorry?

Mr. Peter Tabuns: Go ahead.

The Chair (Mr. David Orazietti): Shall schedule G, section 9, as amended, carry? All those in favour? Carried.

It has been pointed out that it is 6 o'clock and we have some time scheduled on Wednesday, so the committee is adjourned until Wednesday at 4 o'clock.

The committee adjourned at 1802.



CONTENTS

Monday 27 April 2009

Green Energy and Green Economy Act, 2009, Bill 150, *Mr. Smitherman* / **Loi de 2009
sur l'énergie verte et l'économie verte, projet de loi 150, *M. Smitherman*..... G-687**

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Orazietti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Orazietti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Ms. Laurel C. Broten (Etobicoke–Lakeshore L)

Mr. Lou Rinaldi (Northumberland–Quinte West L)

Mr. Peter Tabuns (Toronto–Danforth ND)

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke PC)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. Albert Nigro,
legislative counsel

CA20N
X-16
- 623

G-28



G-28

ISSN 1180-5218

Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Wednesday 29 April 2009

Journal des débats (Hansard)

Mercredi 29 avril 2009

**Standing Committee on
General Government**

Green Energy and Green
Economy Act, 2009

**Comité permanent des
affaires gouvernementales**

Loi de 2009 sur l'énergie verte
et l'économie verte

Chair: David Oraziotti
Clerk: Trevor Day

Président : David Oraziotti
Greffier : Trevor Day

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Wednesday 29 April 2009

Mercredi 29 avril 2009

*The committee met at 1604 in committee room 1.*GREEN ENERGY AND GREEN
ECONOMY ACT, 2009LOI DE 2009 SUR L'ÉNERGIE VERTE
ET L'ÉCONOMIE VERTE

Consideration of Bill 150, An Act to enact the Green Energy Act, 2009 and to build a green economy, to repeal the Energy Conservation Leadership Act, 2006 and the Energy Efficiency Act and to amend other statutes / Projet de loi 150, Loi édictant la Loi de 2009 sur l'énergie verte et visant à développer une économie verte, abrogeant la Loi de 2006 sur le leadership en matière de conservation de l'énergie et la Loi sur le rendement énergétique et modifiant d'autres lois.

The Chair (Mr. David Oraziotti): Good afternoon, everyone. I call the committee to order to continue on clause-by-clause of Bill 150.

Before we get moving with the additional proposed amendments, Albert Nigro, legislative counsel, would like to say a few words on a couple of items.

Mr. Albert Nigro: If I could just take the committee's time for a moment: Under clause (b) of section 139 of the standing orders, my office has the responsibility for the correctness of all bills in their various stages. I start with that simply to report this: In reviewing the motions in my office after Monday afternoon, we found a couple of what would amount to editorial changes that we will make in the reprinted bill. The motions that will be tabled in the House will be exactly as passed by the committee.

If you want to know, in motion 6R, which replaced section 2 of schedule A to the bill, there's an incorrect cross-reference in subsection 2(5). The reference should be to subsection (4); it's to subsection (5), which makes no sense legally. We will make that change.

Similarly, in motion 71R, we refer to paragraph (a). It's not a paragraph; it's a clause for purposes of Ontario drafting, and we will change that to "clause." Just to let the committee know.

The Chair (Mr. David Oraziotti): From last day, schedule G, section 10: motion 89, NDP. Mr. Tabuns, if you'd like to go ahead with that motion.

Mr. Peter Tabuns: Mr. Chair, I've asked if I could have unanimous consent to reopen schedule B so that the definition of "feed-in tariff program" could be amended to note "with an obligation to purchase all renewable

energy produced." I have had an opportunity to talk to the other parties about this. I haven't gotten their consent, but I've had a chance to talk to them.

The Chair (Mr. David Oraziotti): Mr. Tabuns is seeking unanimous consent to discuss section 7 of schedule B to the bill. Do we have unanimous consent to reopen that section? Would anyone like to speak to the motion? Mr. Tabuns, go ahead.

Mr. Peter Tabuns: Unfortunately, due to criss-crossing between legislative counsel and my research staff, one amendment that should have come forward did not make it into our package. We had intended to amend definition (3) in this program to include a definition for feed-in tariff program that required an obligation to purchase all renewable energy produced, based on the commentary of those who have worked with renewable energy feed-in tariffs in other jurisdictions.

1610

The Chair (Mr. David Oraziotti): Further comment?

Ms. Laurel C. Broten: I want to thank my friend for raising this issue. I will say to the committee that we are not prepared to reopen the debate on a point that has passed and has previously been voted on in the committee. But I do want to tell the member that as we continue to work with the OPA, the IESO and various experts to bring Ontario's Green Energy Act to a reality, consultations with respect to the feed-in tariff terms are under way, and these issues raised in this motion are being looked at at this moment.

As we move forward, the resolution of the issues raised in the motion are a priority in those consultations; however, we do not think that at this point, while consultations are ongoing, it's appropriate to establish specifics in legislation. Rather, it is an item that should remain open to conclusion and to continue to be worked on with experts. I do invite the member to participate in those expert consultations, and I do so in a genuine way. We look forward to working on this and other issues once, and if, this bill is passed.

The Chair (Mr. David Oraziotti): Any further comment on the motion?

Mr. Peter Tabuns: I appreciate the commentary from my colleague. I just want to say that given the advice that we've had in order to make the bill effective, in order to give assurance to those who are going to invest that the product that they will create will have a market, you need an amendment of this nature; and I believe you need it in

the legislation rather than in a regulation because regulations are far more subject to change than the legislation. Failure to include it will undermine the intent of the government and will undermine the ability of the government to reach the stated objectives. I think it's substantially problematic.

The government can deny unanimous consent if it so desires.

The Chair (Mr. David Oraziotti): Fair enough. Any further debate? Seeing none, all in favour of the motion—or is there unanimous consent to reopen—opposed? There is not unanimous consent, so we won't be reopening that.

We'll go back to schedule G, section 10: NDP motion number 89. Mr. Tabuns, if you want to go ahead with that.

Mr. Peter Tabuns: Withdrawn, Mr. Chair.

The Chair (Mr. David Oraziotti): Government motion number 90. Ms. Broten.

Ms. Laurel C. Broten: I move that clause 142.2(1)(a) of the Environmental Protection Act, as set out in section 10 of schedule G to the bill, be struck out and the following substituted:

“(a) a description of how engaging in the renewable energy project in accordance with the renewable energy approval will cause,

“(i) serious harm to human health, or

“(ii) serious and irreversible harm to plant life, animal life or the natural environment.”

The Chair (Mr. David Oraziotti): Any further comment? Questions? All in favour of the government motion? Opposed? The motion is carried.

Shall schedule G, section 10, as amended, carry? All in favour? Carried.

Sections 11 and 12: There are no amendments. Shall they carry? Carried.

Section 13, government motion number 91. Ms. Broten.

Ms. Laurel C. Broten: I move that subsections 145.2.1(2) to (5) of the Environmental Protection Act, as set out in section 13 of schedule G to the bill, be struck out and the following substituted:

“What tribunal must consider

“(2) The tribunal shall review the decision of the director and shall consider only whether engaging in the renewable energy project in accordance with the renewable energy approval will cause,

“(a) serious harm to human health; or

“(b) serious and irreversible harm to plant life, animal life or the natural environment.

“Onus of proof

“(3) The person who required the hearing has the onus of proving that engaging in the renewable energy project in accordance with the renewable energy approval will cause harm referred to in clause (2)(a) or (b).

“Powers of tribunal

“(4) If the tribunal determines that engaging in the renewable energy project in accordance with the renewable energy approval will cause harm referred to in clause (2)(a) or (b), the tribunal may,

“(a) revoke the decision of the director;

“(b) by order direct the director to take such action as the tribunal considers the director should take in accordance with this act and the regulations; or

“(c) alter the decision of the director, and, for that purpose, the tribunal may substitute its opinion for that of the director.

“Same

“(5) The tribunal shall confirm the decision of the director if the tribunal determines that engaging in the renewable energy project in accordance with the renewable energy approval will not cause harm described in clause (2)(a) or (b).”

The Chair (Mr. David Oraziotti): Any further discussion? All in favour? Opposed? Carried. Thank you.

Shall schedule G, section 13, as amended, carry? All in favour? Carried. Thank you.

Sections 14, 15, 16, 17, 18 and 19: There are no amendments. Shall they carry? Carried. Thank you.

Schedule G, section 20, government motion number 92. Ms. Broten.

Ms. Laurel C. Broten: I move that clause 176(4.1)(d) of the Environmental Protection Act, as set out in subsection 20(2) of schedule G to the bill, be struck out and the following substituted:

“(d) governing the location of renewable energy generation facilities, including prohibiting or regulating the construction, installation, use, operation or changing of renewable energy generation facilities in parts of Ontario;”

The Chair (Mr. David Oraziotti): Any further comment? All those in favour? Opposed? Carried.

Government motion number 93. Ms. Broten.

Ms. Laurel C. Broten: I move that subsection 176(9.1) of the Environmental Protection Act, as set out in subsection 20(3) of schedule G to the bill, be struck out and the following substituted:

“Regulations relating to part XIII

“(9.1) The Lieutenant Governor in Council may make regulations relating to part XIII,

“(a) governing procedures for hearings required under section 142.1 and for applications to stay the operation of a decision made in respect of a renewable energy approval;

“(b) providing that section 142.1 does not apply in respect of a renewable energy approval, or prescribing circumstances in which section 142.1 does not apply in respect of a renewable energy approval, if,

“(i) under part II or II.1 of the Environmental Assessment Act, the holder of the renewable energy approval is authorized to proceed with the renewable energy project or was authorized, immediately before part V.0.1 of this act came into force, to proceed with the project,

“(ii) pursuant to an exempting regulation made under the Environmental Assessment Act, a statement of completion in respect of the renewable energy project was filed with the director appointed under that act before part V.0.1 of this act came into force, or

“(iii) all the approvals, permits and other instruments required under this act and the Ontario Water Resources Act to engage in the renewable energy project were obtained before part V.0.1 of this act came into force.

“Same

“(9.2) A regulation made under clause (9.1)(a) may provide that it prevails over a provision of the Statutory Powers Procedure Act, despite anything in that act.”

The Chair (Mr. David Oraziotti): Any further comments? Those in favour? Opposed? Carried. Thank you.

Shall schedule G, section 20, as amended, carry? Carried. Thank you.

Sections 21, 22, 23, 24, 25 and 26: There are no amendments. Shall they carry? Carried. Thank you.

Schedule G, NDP notice. Mr. Tabuns, go ahead.

Mr. Peter Tabuns: The submission by Mark Winfield on the problems with this section was convincing. I don't think the fundamental problem we've had with siting renewable energy projects is the difficulty with environmental approvals. As he said it, the problem is consistency, policy and, frankly, a commitment to purchase the power. I would recommend, rather than removing environmental protection, that we vote against this section of the bill, and I'd like a recorded vote.

The Chair (Mr. David Oraziotti): Shall schedule G, as amended, carry?

Ayes

Broten, Mauro, McNeely, Mitchell, Ramal, Yakabuski.

Nays

Tabuns.

The Chair (Mr. David Oraziotti): Thank you. The section is carried.

Schedule H, sections 1, 2 and 3: There are no amendments. Shall they carry? Carried. Thank you.

Government motion 95, schedule H, section 4. Ms. Mitchell.

1620

Mrs. Carol Mitchell: I move that section 4 of schedule H to the bill be amended by adding the following subsection:

“(0.1) Clause 75(1.2)(b) of the act, as re-enacted by subsection 1(18) of the Safeguarding and Sustaining Ontario's Water Act, 2007, is repealed and the following substituted:

“(b) governing the implementation of the provisions listed in subsection (1.3) and,

“(i) prescribing requirements that apply to the director under section 34.1 for the purpose of implementing the provisions listed in subsection (1.3) and specifying which decisions of the director that are subject to the prescribed requirements are also subject to sections 34.10 and 34.11, and

“(ii) prescribing requirements that apply to the director under section 47.5 of the Environmental Protection Act for the purpose of implementing the provisions listed in subsection (1.3) and specifying which decisions of the director that are subject to the prescribed requirements are also subject, with necessary modifications, to sections 34.10 and 34.11;”

The Chair (Mr. David Oraziotti): Thank you. Any further comment? Mr. Tabuns?

Mr. Peter Tabuns: Could you explain exactly what this does?

Ms. Laurel C. Broten: Sure.

Mr. Peter Tabuns: That's not a trick question. I'd actually like to know what you're proposing.

Ms. Laurel C. Broten: Sure. In 2005, Ontario, Quebec and the other Great Lakes states entered into the Great Lakes-St. Lawrence River Basin Sustainable Water Resources Agreement. In 2007, Safeguarding and Sustaining Ontario's Water Act was passed to satisfy Ontario's commitments under that agreement by amending the permit-to-take-water provisions under the Ontario Water Resources Act.

However, in the case under this act, where renewable energy approvals take water but do not transfer water between Great Lakes watersheds, Bill 150 proposes to replace the permit to take water with the new renewable energy approval.

This motion is necessary to ensure that when regulations are made under the Ontario Water Resources Act to implement aspects of the agreement, decisions in relation to the renewable energy approval can also be effected to ensure that water-takings in the Great Lakes basin are addressed in a manner that is consistent with Ontario's commitments under agreement. So it's to flow through our commitments under agreement now through to the new renewable energy approvals.

The Chair (Mr. David Oraziotti): Any further discussion? None? All those in favour? Opposed? Carried.

Shall schedule H, section 4, as amended, carry? Carried. Thank you.

Section 5, government motion number 96. Ms. Mitchell.

Mrs. Carol Mitchell: I move that section 5 of schedule H to the bill be amended by,

(a) striking out “Subject to subsection (2)” at the beginning of subsection (1) and substituting “Subject to subsections (2) and (3)”; and

(b) adding the following subsection:

“(3) Subsection 4(0.1) comes into force on the later of the following days:

“1. The day subsection 4(1) of schedule G to the Green Energy and Green Economy Act, 2009 comes into force.

“2. The day subsection 1(18) of the Safeguarding and Sustaining Ontario's Water Act, 2007 comes into force.”

The Chair (Mr. David Oraziotti): Thank you. Any further comment? All those in favour? Opposed? Carried. Thank you.

Shall schedule H, section 5, as amended, carry? Those in favour? Carried. Thank you.

NDP notice number 97: Mr. Tabuns speaking to this.

Mr. Peter Tabuns: It's the same argument that I've made with the repealing of the Environmental Protection Act. I don't think it's necessary, to actually deliver the changes we need.

The Chair (Mr. David Oraziotti): Thank you.

Voting on schedule H, as amended: All those in favour? Opposed? Carried.

Schedule I, sections 1 through to and including 8. There are no amendments. Shall they carry? Carried.

Shall schedule I carry? Carried.

Schedule J, section 1, government motion 98—

Interjection.

The Chair (Mr. David Oraziotti): Sorry, we have to go back to schedule I. We did 1 to 8, but apparently section 9 is missing here. There's a section 9. There are no amendments proposed. All those in favour of section 9? Shall it carry? Opposed? Carried.

Shall schedule I carry? Carried.

Schedule J, section 1, government motion 98. Ms. Mitchell.

Mrs. Carol Mitchell: I move that subsection 1(1) of schedule J to the bill be amended by striking out "energy conservation" and substituting "energy and water conservation".

The Chair (Mr. David Oraziotti): Any further comment? Those in favour? Opposed? Carried.

NDP motion 99. Mr. Tabuns.

Mr. Peter Tabuns: I move that subsection 1(2) of schedule J to the bill be amended by adding the following as subsection 34 (7) of the Building Code Act, 1992:

"Renewable energy technologies

"(7) Without limiting the scope of the reviews required by subsection (6), a primary purpose of the reviews is to ensure that the building code mandates the inclusion of renewable energy technologies in new buildings."

Very simply, if you're going to move forward in the direction we're moving on, just as Portugal has done and I believe Spain has done, we should be mandating the inclusion of renewable energy technologies into new buildings.

The Chair (Mr. David Oraziotti): Further comment? Ms. Broten.

Ms. Laurel C. Broten: Certainly, the intention behind this motion is appreciated. However, details as to how energy conservation in buildings should be enhanced are more appropriately left to the regulations, particularly given that the 2006 edition of the building code includes significantly higher energy conservation requirements, and under the new building code there is a building code energy advisory council.

The Chair (Mr. David Oraziotti): Mr. Tabuns, further comment?

Mr. Peter Tabuns: I would just note that if in the act, you're going to be mandating energy conservation and efficiency, it's entirely consistent to mandate inclusion of

renewable energy. They are not in conflict with each other. The argument that you've just made would say that you shouldn't be including energy conservation requirements in this legislation either.

The Chair (Mr. David Oraziotti): Any further comments? Okay. Motion 99, all those in favour? Opposed? The motion is defeated.

Motion 100. Mr. Tabuns?

Mr. Peter Tabuns: I move that subsection 1(2) of schedule J to the bill be amended by adding the following as subsections 34(8) and (9) of the Building Code Act, 1992:

"Enforcement re energy matters

"(8) The minister shall act to ensure enforcement of building code with particular regard to energy matters.

"Report

"(9) The minister shall report annually on the levels of enforcement of the building code."

As was noted to us in a presentation, I think on our last evening, by Mr. Bob Bach, there's a significant lack of enforcement of the building code, particularly with regards to energy efficiency. If in fact the government wants to meet the targets that it's set for energy efficiency and conservation and wants the building code to be a substantial instrument in these matters, enforcement is of consequence. We should be ensuring that part of the process of meeting our energy conservation goals is enforcing the adoption of those codes in buildings themselves.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: The government does not accept this motion. Under the Building Code Act, 1992, municipalities are required to enforce the act and the building code, including the energy efficiency requirements. The Ministry of Municipal Affairs and Housing supports effective enforcement through the development of building code technical training and best practice guidelines, and the provision of information and advice about the building code.

The Chair (Mr. David Oraziotti): Motion 100: All those in favour? Opposed? The motion is lost.

Shall schedule J, section 1, as amended, carry? Carried.

Schedule J, section 2, NDP motion 101. Mr. Tabuns. 1630

Mr. Peter Tabuns: I move that section 34.1 of the Building Code Act, 1992, as set out in section 2 of schedule J to the bill, be amended by adding the following subsection:

"Renewable energy technologies

"(4) Without limiting the scope of clause (3)(a), the council's advice to the minister shall include recommendations in relation to ensuring that the building code,

"(a) mandates the inclusion of renewable energy technologies in new buildings; and

"(b) progresses towards achieving a net zero energy use for all buildings."

Again, if our goal is to move away from 20th-century technologies and move to a renewable century, we have

to be starting to reshape the building code to take buildings away from their dependence on fossil fuels. To the extent that a building can both generate and receive power and have no net impact on the grid, it is a huge advantage to our economy and our environment. It would show this government is quite progressive if in fact it adopted a net zero standard or goal for its building code.

The Chair (Mr. David Oraziotti): Ms. Broten?

Ms. Laurel C. Broten: Although the intention behind the motion is certainly appreciated, we do not want to take steps that would pre-empt the work of the new building code energy advisory council. If the bill is passed, the council would bring together a broad range of expertise to develop practical and implementable recommendations related to energy conservation in buildings, and we look forward to taking those steps.

The Chair (Mr. David Oraziotti): Any further comment?

Mr. Peter Tabuns: I'll make them in the speech on third reading.

The Chair (Mr. David Oraziotti): Okay. All those in favour of NDP motion 101? Opposed? The motion is defeated.

Shall schedule J, section 2, carry? Carried.

Schedule J, section 3: There are no amendments. Shall section 3 carry? Carried.

Shall schedule J, as amended, carry? Carried.

Schedule K, section 1, government motion 102. Ms. Broten.

Ms. Laurel C. Broten: I move that section 1 of schedule K to the bill be struck out and the following substituted:

"1. Subsection 1(1) of the Planning Act is amended by adding the following definitions:

"renewable energy generation facility' has the same meaning as in the Electricity Act, 1998; ('installation de production d'énergie renouvelable')

"renewable energy project' has the same meaning as in the Green Energy Act, 2009; ('projet d'énergie renouvelable')

"renewable energy testing facility' has the same meaning as in the Green Energy Act, 2009; ('')

"renewable energy testing project' has the same meaning as in the Green Energy Act, 2009; ('')

"renewable energy undertaking' means a renewable energy generation facility, a renewable energy project, a renewable energy testing facility or a renewable energy testing project; ('')

The Chair (Mr. David Oraziotti): Any further comments? Seeing none, all those in favour? Opposed? The motion is carried.

Schedule K, section 1, a Conservative notice. Mr. Yakabuski.

Mr. John Yakabuski: The Progressive Conservative Party recommends voting against section 1 of schedule K to the bill. While setting provincial standards is practical and laudable, the provincial takeover of all municipal authority through official plans, municipal orders, agreements and bylaw controls in this area is unacceptable.

There should be an amendment for a province-wide official plan amendment, to be discussed with the Association of Municipalities of Ontario, with exceptions allowed for various reasons.

I know the government claims that their amendments will address these concerns, but how they attempt to do that and whether it will be acceptable remains to be seen, so we believe we should be voting against this section of the bill.

The Chair (Mr. David Oraziotti): We're voting on schedule K, section 1, as amended. All those in favour of schedule K, as amended? Opposed? It's carried.

Schedule K, section 2, government amendment 103. Ms. Mitchell.

Mrs. Carol Mitchell: I move that clause 50(3)(d.1) of the Planning Act, as set out in schedule K to the bill, be amended by striking out "40 years" and substituting "50 years".

The Chair (Mr. David Oraziotti): Further debate? All those in favour of government motion 103? Opposed? The motion is carried.

Number 104.

Mrs. Carol Mitchell: I move that clause 50(5)(c.1) of the Planning Act, as set out in subsection 2(2) of schedule K to the bill, be amended by striking out "40 years" and substituting "50 years".

The Chair (Mr. David Oraziotti): Further comment? All those in favour? Opposed? Carried. Thank you.

Shall schedule K, section 2, as amended, carry? Carried.

Government motion number 105.

Mrs. Carol Mitchell: I move that section 62.0.2 of the Planning Act, as set out in section 3 of schedule K to the bill, be struck out and the following substituted:

"Renewable energy undertakings

"Policy statements and provincial plans

"62.0.2(1) Despite any act or regulation, the following do not apply to a renewable energy undertaking, except in relation to a decision under section 28 or part VI:

"1. A policy statement issued under subsection 3(1).

"2. A provincial plan, subject to subsection (2).

"Exception

"(2) Subsection (1) does not apply in respect of,

"(a) the Niagara Escarpment plan;

"(b) another provincial plan, if the provincial plan is prescribed for the purposes of this subsection; or

"(c) a provision of another provincial plan, if the provision is prescribed for the purposes of this subsection.

"Official plans

"(3) For greater certainty, an official plan does not affect a renewable energy undertaking.

"Same

"(4) Section 24 does not apply to,

"(a) the undertaking of a public work that is a renewable energy undertaking or is intended to facilitate or support a renewable energy undertaking;

"(b) the passing of a by-law with respect to a public work described in clause (a); or

“(c) the passing of a by-law that is intended to facilitate or support a renewable energy undertaking.

“Demolition control area

“(5) A by-law passed under section 33 does not apply to a renewable energy undertaking.

“By-laws and orders under part V

“(6) A by-law or order passed or made under part V does not apply to a renewable energy undertaking.

“Transition, existing agreements

“(7) An agreement that is entered into under part V before the day subsection 4(1) of schedule G to the Green Energy and Green Economy Act, 2009 comes into force applies to a renewable energy project, and to any related renewable energy testing facility and renewable energy testing project, until the day a renewable energy approval is issued under section 47.5 of the Environmental Protection Act in relation to the renewable energy project.

“Development permit system

“(8) A regulation or by-law made or passed under section 70.2 does not apply to a renewable energy undertaking.

“City of Toronto Act, 2006, ss. 113, 114

“(9) A by-law passed under section 113 or 114 of the City of Toronto Act, 2006 does not apply to a renewable energy undertaking.

“Ontario Planning and Development Act, 1994, s. 17

“(10) An order made under section 17 of the Ontario Planning and Development Act, 1994 does not apply to a renewable energy undertaking.”

The Chair (Mr. David Orazietti): Further comment? Mr. Yakabuski.

Mr. John Yakabuski: Could I have an explanation, Ms. Mitchell, with respect to—I know we had more than one submission come in concerning renewable energy projects on the Niagara Escarpment. Because I’m not one who writes these things, nor necessarily even understands them, can you tell me what these amendments mean? Because there is an exception for the Niagara Escarpment plan. What does this mean concerning renewable projects on the Niagara Escarpment?

1640

Mr. Peter Tabuns: Same question.

The Chair (Mr. David Orazietti): Same question. Ms. Broten, go ahead.

Ms. Laurel C. Broten: Thank you. Through subsections 62.0.2(1) and (2) that replace the old 62.0.2, we will ensure that the provincial policy statement and provincial plans, other than the Niagara Escarpment plan and prescribed plans, do not apply to renewable energy undertakings, except in relation to decisions on community improvement plans. So it carries forward the intention to provide that exemption to the Niagara Escarpment plan and prescribed plans. They will be treated separately.

The Chair (Mr. David Orazietti): Mr. Yakabuski, go ahead.

Mr. John Yakabuski: In the case of all other municipal plans, or other than those excepted, the Green

Energy Act will take precedence, but not in the case of the Niagara Escarpment plan?

Ms. Laurel C. Broten: That’s right.

Mr. John Yakabuski: Thank you.

The Chair (Mr. David Orazietti): Any further comment?

Government motion number 105: All those in favour? Opposed? It’s carried.

Conservative motion 105.0.1 is being inserted here. Mr. Yakabuski.

Mr. John Yakabuski: I move that subsection 62.0.2(4) of the Planning Act, as set out in section 3 of schedule K to the bill, be struck out and the following substituted:

“By-laws, orders and agreements made under part V

“(4) A by-law, order or agreement made under part V does not apply to a renewable energy generation facility or renewable energy project, except as set out in subsection (4.1).

“Exception, solar farms and class 1, 2, 3 or 4 agricultural land

“(4.1) Subsection (4) does not affect a by-law or order made under part V that restricts or prevents the installation of solar farms on agricultural land in category 1, 2, 3 or 4 according to the Canada Land Inventory, national site database, Agriculture and Agri-Food Canada.”

This is as a result of the hearings and the concerns of the Ontario Federation of Agriculture that without some exemptions or protection, there would be solar farms erected on prime agricultural land in this province, and this amendment would preclude that.

The Chair (Mr. David Orazietti): Thank you. Any further comment on this? Mr. Tabuns, go ahead.

Mr. Peter Tabuns: Just clarity from Mr. Yakabuski: The first part of the amendment is necessary in order to make the second part, the protection of agricultural land, work?

Mr. John Yakabuski: I’d have to defer to Mr. Nigro for that.

Mr. Albert Nigro: Not being an expert in the Planning Act, but as I do read the two sections, it seems to me that subsection (4.1) will not work without subsection (4,) because it creates the exception.

Mr. Peter Tabuns: Fine.

Mr. John Yakabuski: That’s the way I thought. In all my law training, that’s what I would have thought too.

The Chair (Mr. David Orazietti): Any further comment? Conservative motion 105.0.1: All those in favour? Opposed? The motion is lost.

Conservative motion 105.1. Mr. Yakabuski.

Mr. John Yakabuski: I move that section 62.0.2 of the Planning Act, as set out in section 3 of schedule K to the bill, be struck out and the following substituted:

“Official plans and Green Energy and Green Economy Act, 2009

“62.0.2 The Minister and the Association of Municipalities of Ontario shall jointly develop a package of standard amendments to be made to all official plans in

order to align them with the Green Energy and Green Economy Act, 2009.”

We didn’t get what we wanted in the last one, so we’re hoping that this is a little softer and perhaps the government would have some compassion at this time and allow us to have at least one of our amendments approved.

The Chair (Mr. David Orazietti): Ms. Broten?

Ms. Laurel C. Broten: I’m sorry to say to Mr. Yakabuski that the government will not be supporting his amendment, but we will establish a working group involving the Ministries of Municipal Affairs and Housing, Environment, Natural Resources, Energy and Infrastructure, and the Association of Municipalities of Ontario, to work towards our streamlined approvals process and to ensure that the municipalities are well-engaged in the Green Energy Act moving forward.

The Chair (Mr. David Orazietti): Further comment? All those in favour of motion 105.1? All those in favour? Would you like to vote in favour of your motion? Okay. Opposed? The motion is lost.

Schedule K, section 3. Shall it carry, as amended?

Interjection.

The Chair (Mr. David Orazietti): Pardon me?

Mr. Peter Tabuns: I think there are substantial problems with taking this much power out of the hands of municipalities. I’ve fought against NIMBY battles in my own riding and I’ve taken stands to get things through in my own riding. I think the government is making an error with this, I think they will regret it later, and I think that they could have strong municipal allies if they were willing to work with them, even to set provincial direction for them. They would be in better shape.

I’d call for a recorded vote against this section.

The Chair (Mr. David Orazietti): A recorded vote has been asked for. Schedule K, section 3, as amended: Shall it carry? All those in favour?

Interjection.

The Chair (Mr. David Orazietti): If you want to comment again, go ahead.

Mr. John Yakabuski: There are no opportunities to comment on this motion, on this notice.

The Chair (Mr. David Orazietti): It’s not a motion. There’s nothing on the floor at this point. Mr. Tabuns wanted to offer comment. If you’d like to offer additional comment, go ahead.

Mr. John Yakabuski: Well, we share the concerns. We heard repeatedly during the hearings about the concern from municipalities, and we asked the question about whether or not they were concerned that this was still too much power on the Minister of Energy and Infrastructure. Almost unanimously, municipalities agreed that they were very concerned about this kind of power being put in the hands of one person.

The third party’s motion is something that we think the government should be reconsidering—the whole premise of removing the power of municipalities to make

decisions on behalf of the people who elect them at the most local level. We think they are making a mistake.

The Chair (Mr. David Orazietti): Further comment? Okay, a recorded vote has been called for.

Ayes

Broten, Mauro, McNeely, Mitchell, Ramal.

Nays

Tabuns, Yakabuski.

The Chair (Mr. David Orazietti): Section 3 is carried.

Schedule K, section 4 has no amendments. Shall it carry? Carried.

Shall schedule K, as amended, carry? Carried.

Schedule L, section 1. There are no amendments. Shall it carry? Carried. Thank you.

Schedule L, section 2. NDP notice 106. Mr. Tabuns.

Mr. Peter Tabuns: My concern is removing the power of the conservation authorities. Frankly, they are charged with protecting the public and the installations and the infrastructure that we put in place from flooding. I would say that removal of their powers is not to our advantage.

Again, I think if you’re going to properly protect the renewable energy installations and make sure that there are conservation activities to protect against flooding and to protect local natural areas, they shouldn’t be subjected to a removal in this act.

The Chair (Mr. David Orazietti): Thank you. Any further comment? Ms. Broten, go ahead.

Ms. Laurel C. Broten: The government will ensure the protection of human health and the natural environment, including natural heritage values, through the new streamlined approval process. Conservation authorities under the act will continue to have authority to issue permits with respect to wetlands and natural hazard lands.

1650

The Chair (Mr. David Orazietti): Any further comment? Seeing none, shall schedule L, section 2 carry? Carried.

Schedule L, sections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14—no amendments. Shall they carry? Carried.

Schedule L, section 15, Conservative amendment 106.1. Mr. Yakabuski.

Mr. John Yakabuski: Given that I don’t know the act—and Ms. Broten may be able to explain it to me; I don’t know, but we’ll go ahead and go through it. I don’t know the details of the Niagara Escarpment Planning and Development Act, and I’m not sure what briefing you folks have had on it.

I move that subsection 19(2.1) of the Niagara Escarpment Planning and Development Act, as set out in subsection 15(2) of schedule L to the bill, be struck out and the following substituted:

“Renewable energy projects, minimum setback

“(2.1) On the day the Green Energy Act, 2009 comes into force, the Niagara Escarpment plan is amended to require a minimum set back of at least two kilometres in respect of renewable energy projects, as defined in that act.”

The Chair (Mr. David Oraziotti): Any further comment? Ms. Broten?

Ms. Laurel C. Broten: Currently, the Niagara Escarpment plan does allow for renewable energy projects under the definition of “utility.” The policies of the Niagara Escarpment plan and the authority of the Niagara Escarpment Commission are not altered by the Green Energy Act. Both environmental and visual values will continue to be applied when considering proposals in the plan area.

The Chair (Mr. David Oraziotti): Further comment? Mr. Yakabuski?

Mr. John Yakabuski: Does your previous amendment, which we talked about earlier, take care of this concern? It allows them the latitude to adjust their act?

Ms. Laurel C. Broten: The Niagara Escarpment Commission continues to have responsibility under their act. However, you would note that it is the Ministry of the Environment that is currently on a consultation to establish province-wide minimum setback standards and regulations regarding renewable energy projects, and that process is continuing.

Mr. John Yakabuski: But the Niagara Escarpment is exempt. The Niagara Escarpment act, based on the amendment you brought earlier, is exempt.

Ms. Laurel C. Broten: The Niagara Escarpment Commission will continue to have responsibility for their own plan area.

Mr. John Yakabuski: Okay, thank you.

The Chair (Mr. David Oraziotti): Further comment? Seeing none, all those in favour of Conservative amendment 106.1? Opposed? The motion is lost.

Motion 106.2: Mr. Yakabuski, go ahead.

Mr. John Yakabuski: I move that section 15 of schedule L to the bill, amending section 19 of the Niagara Escarpment Planning and Development Act, be amended by striking out subsection (3).

This amendment was requested by Sylvia Jones' constituents. The purpose of the Niagara Escarpment Planning and Development Act and the plan is to provide for the maintenance of the Niagara Escarpment and land in its vicinity, substantially as a continuous natural environment, and to ensure only such development occurs as is compatible with that natural environment.

The Chair (Mr. David Oraziotti): Further comment? Ms. Broten?

Ms. Laurel C. Broten: As I said in response to the previous motion, in reviewing renewable energy projects, the Niagara Escarpment Commission will ensure that it upholds the intent of the Niagara Escarpment plan while balancing the need for a reliable and sustainable supply of electricity for the future.

Mr. John Yakabuski: Does that mean you're voting against it?

Interjection.

Mr. John Yakabuski: It's a total shutout. I'm just shocked.

The Chair (Mr. David Oraziotti): Any further comments? Seeing none, all those in favour of Conservative motion 106.2? Opposed? The motion is lost.

Schedule L, section 15: Shall it carry? Carried.

Schedule L, section 16: There are no amendments. Shall it carry? Carried.

NDP motion number 107 to insert a new section: schedule L, 16.1. Mr. Tabuns.

Mr. Peter Tabuns: I move that schedule L to the bill be amended by adding the following section:

“16.1 Subsection 25(12) of the act is amended by striking out ‘and’ at the end of clause (a), adding ‘and’ at the end of clause (b) and by adding the following clause:

“(c) the decision of the delegate is not related to a renewable energy project.”

It essentially leaves the powers in place of the Niagara Escarpment Commission to review renewable energy development. I think it is reasonable, given their historic performance, to leave them with those powers.

The Chair (Mr. David Oraziotti): Thank you. Any further comment? Ms. Broten?

Ms. Laurel C. Broten: The government does not support this amendment. We will continue to work with the Niagara Escarpment Commission. We need to maintain the flexibility provided by this section, as currently drafted, to ensure an appropriate decision-making structure for development in the Niagara Escarpment planning area and to support the existing protection provided by the Niagara Escarpment plan.

The Chair (Mr. David Oraziotti): Any further comment? Seeing none, shall schedule L, section 16.1, carry?

Interjections.

The Chair (Mr. David Oraziotti): It's NDP motion number 107. It's to insert the new section. Shall schedule L, section 16.1—the new amendment, 107—carry? Opposed? The motion does not carry.

Schedule L, sections 17, 18 and 19: There are no amendments. Shall sections 17, 18 and 19 carry? Carried.

Section 20, NDP notice 108. Mr. Tabuns.

Mr. Peter Tabuns: The NDP recommends voting against section 20 of schedule L to the bill.

The provision would effectively downgrade the approval requirement for electricity generation projects within protected areas. This provision applies to electricity projects of all types, not just renewable energy. I have to ask the government to consider the fact that they're opening it up to non-renewable energy projects.

The Chair (Mr. David Oraziotti): Any further comment? Ms. Broten.

Ms. Laurel C. Broten: The changes proposed in Bill 150 to the Provincial Parks and Conservation Reserves Act are being put in place, as we have said on many occasions, to expedite approvals for important renewable energy projects while still ensuring the protection of our provincial parks and conservation reserves. Renewable energy projects permitted in provincial parks and

conservation reserves for use within communities not connected to the IESO grid are important, as they offer a sustainable energy form for communities that are often relying on fossil fuels like diesel for their electricity. Accordingly, we can't support the NDP motion.

The Chair (Mr. David Oraziotti): Any further comment? Shall schedule L, section 20, carry? Carried.

NDP notice 109, section 21. Mr. Tabuns.

Mr. Peter Tabuns: We recommend voting against section 21 of schedule L to the bill. It's essentially the same argument that I had made with the previous section.

The Chair (Mr. David Oraziotti): Any comments? Mr. Yakabuski?

Mr. John Yakabuski: Absolutely. This is going to be the last chance. We're just about to wrap it up, aren't we?

You actually had one amendment approved, didn't you, Peter?

Mr. Peter Tabuns: If I dig through, I might find one.

Mr. John Yakabuski: I wanted to congratulate you on that because that's a significant victory in a room such as this, which is dominated by government members who

are unwilling to listen to the wise counsel of the opposition. So I do congratulate you. I don't know how you managed to do it, but I'm proud of you.

The Chair (Mr. David Oraziotti): Any further comment?

Mr. John Yakabuski: That was the end of my comment.

The Chair (Mr. David Oraziotti): Thank you. Shall schedule L, section 21, carry? Carried.

Schedule L, section 22, through and including section 25: There are no amendments. Shall they carry? Carried.

We need to go back to those first three sections that we held off on until we went through all of the schedules.

Shall sections 1, 2 and 3 of the bill carry? Carried.

Shall the title of bill carry? Carried.

Shall Bill 150, as amended, carry? Carried.

Shall I report the bill, as amended, to the House? Carried.

Thank you. The committee is adjourned.

The committee adjourned at 1657.

CONTENTS

Wednesday 29 April 2009

Green Energy and Green Economy Act, 2009, Bill 150, *Mr. Smitherman* / **Loi de 2009
sur l'énergie verte et l'économie verte, projet de loi 150, *M. Smitherman*..... G-723**

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Oraziotti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Oraziotti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Ms. Laurel C. Broten (Etobicoke–Lakeshore L)

Mr. Bob Delaney (Mississauga–Streetsville L)

Mr. Phil McNeely (Ottawa–Orléans L)

Mr. Khalil Ramal (London–Fanshawe L)

Mr. Peter Tabuns (Toronto–Danforth ND)

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke PC)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. Albert Nigro, legislative counsel

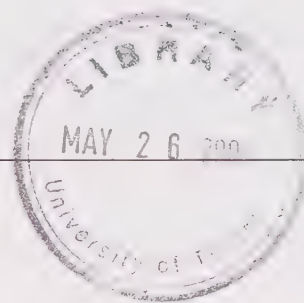
CA201
XC16
G23

G-29



G-29

ISSN 1180-5218



Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Wednesday 13 May 2009

Journal des débats (Hansard)

Mercredi 13 mai 2009

Standing Committee on General Government

Toxics Reduction Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 sur la réduction
des toxiques

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENT

Wednesday 13 May 2009

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Mercredi 13 mai 2009

The committee met at 1603 in room 228.

The Chair (Mr. David Orazietti): Good afternoon, everyone. Welcome to the Standing Committee on General Government. We're here for public hearings on Bill 167, An Act to promote reductions in the use and creation of toxic substances and to amend other acts.

SUBCOMMITTEE REPORT

The Chair (Mr. David Orazietti): We have a subcommittee report first to take care of. Can someone move the subcommittee report? Ms. Mitchell.

Mrs. Carol Mitchell: Your subcommittee met on Wednesday, May 6, 2009, to consider the method of proceeding on Bill 167, An Act to promote reductions in the use and creation of toxic substances and to amend other acts, and recommends the following:

(1) That the committee meet in Toronto on Wednesday, May 13, 2009, and Monday, May 25, 2009, for the purpose of holding public hearings.

(2) That the committee clerk, with the authorization of the Chair, post information regarding public hearings in the Ontario edition of the Globe and Mail, the Toronto Star and the Sarnia Observer for one day during the week of May 11, 2009.

(3) That the committee clerk, with the authorization of the Chair, post information regarding public hearings on the Ontario parliamentary channel and the Legislative Assembly website.

(4) That interested parties who wish to be considered to make an oral presentation contact the committee clerk by 12 noon on Thursday, May 14, 2009.

(5) That groups and individuals be offered 10 minutes for their presentation. This time is to be scheduled in 15-minute increments to allow for questions from the committee.

(6) That witnesses be scheduled on a first come, first served basis for the May 13, 2009, hearing date.

(7) That in the event all remaining witnesses cannot be scheduled for the May 25, 2009, hearing date, the committee clerk provide the members of the subcommittee with a list of requests to appear.

(8) That the members of the subcommittee prioritize and return the list of requests to appear by 12 noon on Tuesday, May 19, 2009, and that the committee clerk schedule witnesses based on those prioritized lists.

(9) That the deadline for written submissions be 5 p.m. on Monday, May 25, 2009.

(10) That the research officer provide the committee with a summary of presentations.

(11) That for administrative purposes, proposed amendments be filed with the committee clerk by 12 noon on Thursday, May 28, 2009.

(12) That the committee meet for the purpose of clause-by-clause consideration of the bill on Monday, June 1, 2009, and that each party be offered an opportunity to make opening remarks.

(13) That the committee clerk, in consultation with the Chair, be authorized prior to the adoption of the report of the subcommittee to commence making any preliminary arrangements necessary to facilitate the committee's proceedings.

The Chair (Mr. David Orazietti): Thank you, Ms. Mitchell. Any debate? All in favour? Carried.

TOXICS REDUCTION ACT, 2009

LOI DE 2009 SUR LA RÉDUCTION
DES TOXIQUES

Consideration of Bill 167, An Act to promote reductions in the use and creation of toxic substances and to amend other Acts / Projet de loi 167, Loi visant à promouvoir une réduction de l'utilisation et de la création de substances toxiques et à modifier d'autres lois.

CANADIAN CANCER SOCIETY,
ONTARIO DIVISION

The Chair (Mr. David Orazietti): We can start with our first presentation, the Canadian Cancer Society, Ontario division. Good afternoon. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions among members of the committee. If you would just state your name for the purposes of our recording Hansard, and you can begin when you like.

Ms. Irene Gallagher Jones: Good afternoon, ladies and gentlemen. My name is Irene Gallagher Jones, and I am the senior manager of public issues at the Ontario division of the Canadian Cancer Society. Joining me is Kathleen Perchaluk, senior coordinator, public issues.

I would like to begin by thanking committee members for the opportunity to speak to you today about Bill 167, the Toxics Reduction Act.

The Canadian Cancer Society's volunteers and staff would like to congratulate the government for taking the first step towards reducing toxic substances in Ontario. However, after reviewing Bill 167, as well as the recommendations made by the Ministry of the Environment's toxics reduction expert panel, the society has identified some gaps in the legislation that need to be addressed to ensure Bill 167 protects the health of Ontarians. Kathleen and I will review these gaps in detail, as well as our recommendations, later in our presentation.

I would like to first highlight the burden of cancer in Ontario and provide some information on environmental and occupational carcinogens and the public's support for reducing toxic chemicals in our environments.

The Canadian Cancer Society is very concerned about the toxic substances in our air, water, land and consumer products. The society strongly believes that, as community members, workers and consumers, we all have the right to know about the environmental and occupational risks we are being exposed to, allowing us to make informed decisions affecting our health. In particular, we believe people have the right to know if they are being exposed to cancer-causing substances.

As you may know, cancer is a leading health issue in Ontario, and while cancer treatments have improved and mortality rates have fallen, cancer incidence is expected to increase drastically due to Ontario's aging and growing population. This year alone, approximately 65,100 Ontarians will be diagnosed with cancer and 27,900 deaths from cancer will occur.

Cancer is also a major cost driver in provincial health care budgets and affects the ability of all levels of government to collect revenue and pay for services. Due to the prevalence of cancer and its growing impact on the lives of Ontarians, many sectors of government in this province must address cancer control, and strong toxic use reduction legislation will reduce or eliminate toxic chemicals, resulting in less cancer-causing substances in our environments.

There is a lot of discussion right now about how many cancers are related to exposure to cancer-causing substances. Due to the synergistic and additive effects of carcinogens and the fact that cancer can take many years to develop, the exact percentage of cancers linked to this type of exposure is not known, but we do know that people who are continually exposed to known or probable cancer-causing substances at a high level or over a long period of time may have a higher risk of developing cancer.

We know that environmental and occupational carcinogens disproportionately affect certain sectors of Ontario's labour force. Also, exposure to cancer-causing substances during childhood will reflect on cancer occurrence later in life.

There is growing public concern about toxic substances in Ontario. The public is demanding to know

more about the use of cancer-causing substances throughout Ontario communities.

A Canadian Cancer Society public poll conducted by Ipsos Reid in October 2008 indicated that 77% of Ontarians believe toxic chemicals exist in their environments, and 76% believe such chemicals exist in their personal products. Over 80% of those who believe toxics exist in their environment are concerned that those toxics affect their health and the health of their families.

1610

Ms. Kathleen Perchaluk: The society calls on the government of Ontario to enhance its Toxics Reduction Act by making amendments to Bill 167 that include measurable targets for reducing toxics, substitution requirements where safer alternatives exist, implementation of a third party institute, clear information for consumers and the promotion of green chemistry and green jobs. To achieve this, Bill 167 should reflect the following recommendations:

The society recommends that Bill 167 include targets to effectively reduce the release of toxic chemicals in places where people live, work and play. Currently, Bill 167 does not include numerical goals or targets for reducing toxic chemicals. Setting clear and ambitious goals is essential to spurring innovation as well as providing benchmarks to measure progress. Other jurisdictions that have enacted toxics use reduction legislation in the US and in Europe have demonstrated that targets are a necessary component to reducing and regulating toxics use and release.

The Ministry of the Environment's toxics reduction scientific expert panel also recommended that the Toxics Reduction Act include targets. In the panel's July 23, 2008, memorandum, the panel indicates that the legislation should "include clear, viable, and progressive goals ... the statute should include renewable toxics reduction targets, and a mechanism for monitoring and public reporting on achievement of those targets."

Targets and goals will help the government, industry and the public evaluate the progress Ontario is making in terms of reducing toxic chemicals in various environments. It is essential that an amendment be made which reflects the need for targets in Bill 167.

The society's second recommendation is to replace toxic chemicals where safer alternatives exist. Ontario is one of the top dischargers of toxic chemicals in North America. The implementation of safer alternatives is a vital step to reducing Ontario's harmful emissions.

The Toxics Reduction Act encourages companies to voluntarily reduce or substitute hazardous chemicals. The society believes that substitutions should be a requirement in situations where safer alternatives exist or where the use is not essential. Mandatory assessment and substitution of priority chemicals is now required on the European Union's chemical management program. Failure to address this issue will cause Ontario to fall behind developing initiatives in the United States and in Europe.

The society recommends that Bill 167 restrict the use of toxic chemicals that are still in use through the guid-

ance of an Ontario toxic use reduction institute. The society recommends that the government establish an institute—an independent, university-based research institute—to advance the province's capacity for toxic use reduction activities, safer substitution, green chemistry, education and information outreach, and training on toxic reduction planning. An institute was an important component to the success of Massachusetts's toxics use reduction legislation, but it's currently not part of the proposed Toxics Reduction Act here in Ontario.

The development and testing of safer alternatives can be done through the institute, as an institute would have the resources and knowledge in this area. The institute would also help facilities communicate between industry and academics so that academic research is effectively targeted to address the most pressing environmental issues facing Ontario industries.

Since the Toxics Reduction Act indicates that implementation for toxics reduction plans is voluntary for companies, it is vital that Ontario develop an institute to encourage and support the implementation of these plans.

The Ministry of the Environment's toxics reduction scientific expert panel also recognizes the benefit an institute can have on the success of toxic reduction legislation. The panel recommended that an external academic institute with stable funding be established, as it is essential to the successful implementation and sustained efficiency of toxics use reduction.

Ms. Irene Gallagher Jones: In addition, the society calls on the government to reveal to all Ontarians the toxic chemicals in their workplace, community and homes through an identifiable product label or symbol and access to a public database. Ontarians have the right to be informed of exposure to cancer-causing substances at home, at work and in their environment. The society supports the government's commitment to inform the public about toxic chemicals in their environments, but we encourage the government to go further and include product labelling.

The government has an opportunity to show leadership in Canada and follow other jurisdictions around the world by implementing product labelling in Ontario. The society believes that all ingredients in consumer products should be fully disclosed on product labels. In addition, if toxic or cancer-causing substances are present in products, they should be identified by a hazard symbol. The full ingredient list and hazard symbol should be visible to the consumer at point of sale and at point of use, and presented in clear language.

The Chair (Mr. David Oraziotti): Sorry, that's the time for your presentation. We need to move to questions at this point, but thank you very much. Mr. Barrett, go ahead.

Mr. Toby Barrett: Thank you, Irene and Kathleen. I've been reading some of your amendments put forward on behalf of the Canadian Cancer Society. You may not have had time to cover some of them. I know that you wish to see smaller companies involved, and to lower the 10-employee threshold to a five-employee threshold. You

do call on the government to go beyond the \$24 million, as far as providing financial support.

There's a memo here, from July 23, 2008, to the minister. I don't have a copy of the memo, but you call for the government to impose a fee on industrial facilities. So there would be a fee imposed on, say, a small, five-person company? Do you feel that they have the resources to make these kinds of changes, being a very small organization like that?

Ms. Kathleen Perchaluk: The memorandum you're referring to is the expert panel's recommendation. We are looking to the expertise of the expert panel that put that recommendation forward.

In terms of the fee aspect, we just feel that in order for this legislation to be as strong as possible, more money should be dedicated toward it. The expert panel recommended a fee, so we thought we'd include that as well into our recommendations.

Mr. Toby Barrett: Okay, I just wondered. I know that this went to the Minister of the Environment. Could this committee get a copy of that memo? There are a number of memos listed here as references.

Ms. Kathleen Perchaluk: Sure, absolutely. Yes.

Mr. Toby Barrett: If they could be made available to the committee, because we would not have received them.

Ms. Kathleen Perchaluk: They were available on the Ministry of the Environment's website, but we could definitely make sure that that's provided to you all.

Mr. Toby Barrett: Oh, they're on the website?

Ms. Kathleen Perchaluk: Yes.

The Chair (Mr. David Oraziotti): Thank you. Mr. Tabuns.

Mr. Peter Tabuns: Thanks very much for the presentation. It's useful for us.

Of the recommendations that you've brought forward, can you tell me which one or two are the most critical to ensure that the bill has the impact it has to have?

Ms. Irene Gallagher Jones: I think that all of them are crucial to protecting the health of Ontarians. But the importance of setting targets allows Ontarians and the government to track progress in the reduction on the use and release of toxins. As well, the community-right-to-know part of the legislation allows Ontarians to be informed about what they're being exposed to and, as a result, influence change in behaviour in manufacturing processes, as there will be a demand for safer products by consumers.

I know I was asked to list two, but of course, those two pieces can't happen without the support of a toxics use reduction institute to provide the expertise and the training.

Mr. Peter Tabuns: Okay. So I understand: All of these pieces are integrated, and you need them to all function together to actually give the result that you want. Will this act, without those amendments, in fact do what's needed in this province?

Ms. Irene Gallagher Jones: Ontario is taking the first step on this issue, which is commendable, but we want to

be sure that it's the best first step possible. So including all of our amendments will make the legislation as strong as it can possibly be, to follow global efforts on this issue and protect Ontarians' health.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Orazietti): Mr. Flynn.

Mr. Kevin Daniel Flynn: Thank you for your presentation, and thank you to your organization for what you do for our communities on a daily basis.

Some people have brought forward their comments on the bill, saying, "You know what? This is all done by the federal government, so why does the province need to do anything at all?" I wonder if you have any strong feelings on that, any comments.

Ms. Irene Gallagher Jones: There is, as you suggest, some work happening federally. But a couple of key points regarding the importance of Ontario moving forward with toxics reduction legislation are that this legislation will require companies to report on their use of the listed NPRI substances, as well as create plans to reduce their use. That isn't currently taking place at the federal level. CEPA is asking companies to assess the risk of substances that they use, but this will require reducing the use and release. As well, more substances are being addressed through this bill than through the CEPA chemical management plan.

1620

The Chair (Mr. David Orazietti): That's time for your presentation. Thank you very much for coming in today.

Ms. Kathleen Perchaluk: Great. Thank you very much for your time.

UNITED STEELWORKERS ENVIRONMENTAL DEFENCE

The Chair (Mr. David Orazietti): Our next presentation is Environmental Defence and the United Steelworkers union.

Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions among members. Please state your name for the recording purposes of Hansard, and you can begin your presentation.

Mr. Andrew King: Certainly. Thank you for the opportunity to present to the committee. My name is Andy King. I'm the national health and safety coordinator for the United Steelworkers union. With me is Janelle Witzel from Environmental Defence.

We have formed a collaboration called BlueGreen Canada which is focusing on bringing together the need to address environmental and economic issues and create good green jobs.

It's a pleasure to come before you on such an important issue. Toxics use reduction really does represent the next important step in addressing the problem of toxic chemicals in our communities. We have dealt in the past

with regulations that set particular goals and eliminate particular chemicals, but this is the first time in Canadian history when we have really gotten into the question of how we encourage companies to transition, to engineer out the use of those chemicals. It's a really important step forward.

It will not surprise you that a number of the things we say are similar to what the previous presenters have said. Indeed, this is an issue upon which we have an incredibly important alliance of health organizations, environmental organizations and labour supporting the same principles, which are that further steps need to be taken to remove toxic chemicals from our workplaces and our environments.

You should all have a brief summary of the key areas that we want to address. We clearly are here in support of the bill. You've already heard some information about the amount of toxics we have in our environment and their costs. This is a huge burden on society. As a representative of an organization that represents miners, steelworkers and others—there are thousands of workers who have had their lives cut short or who are suffering as a result of toxic chemicals, and that problem continues to this day.

It's often lost in all of this that there are very sound economic reasons why we need to move forward as well. In addition to the costs to society, there is a further economic challenge facing us. The question of regulating toxic chemicals is not just happening in Ontario; it is a worldwide phenomenon. If we continue to want to participate in international trade, we're going to have to meet those international standards, be they the European standards of REACH that are required for all products and the supply chain of all products going to Europe, but also, there are very clear signs from the Obama administration that we can expect to see stronger, more stringent rules with respect to toxic chemicals.

For all those reasons, plus public demand, it is important for us to move forward.

As I said, we're in support of the toxics use reduction legislation, but as the previous speakers have indicated, we think there are some important amendments that are needed to make the bill stronger and effective.

I'm going to speak specifically to three areas, and then I will pass it to Janelle to speak to some of the others.

First, as with the previous speakers, we very strongly believe that the government needs to set overall toxics reduction targets for this initiative so that we can actually measure their success. This has been done before. It's not pie-in-the-sky. It was done in Massachusetts, where the legislation required a statewide 50% reduction in toxic by-products within 10 years. The good news is that that was in fact accomplished in less than the 10 years—both an affirmation of the work being done and of the feasibility of accomplishing it.

Second, I'd like to speak to our recommendation number 3, "Formalization of substitution and alternatives use." This is a very important part of it. We bring the process to the point where people are identifying and

planning what needs to be done. We need to take it to the next step, where they identify the alternatives.

The resources are being made available nationally and internationally to help companies make those decisions. It's an important next step; otherwise we're not really achieving the full benefit of a program such as this, both from a societal perspective as well as from a commercial perspective.

That leads me to number 4, which is of particular interest of course to the membership I represent and workers throughout the province, and that is to really recognize that the Ministry of Labour and joint occupational health and safety committees have a valuable role to play in making this work effectively.

We've had the workplace hazardous materials information system in place for over two decades, so there's an infrastructure in place there to identify the toxic chemicals, but presently it is only being really used as an information system. Unfortunately, that potential to be more than an information system was undermined when a previous government removed section 36, which required the employer to do two things, which was inventory all of the toxic chemicals plus provide a floor plan, so it both addressed the strategy for reducing the use of toxics plus provided emergency response professionals with a way of identifying where they were located in the event of an emergency.

We're asking you to bring that back so that steps can be taken to address it, and to recognize the critical role that the workplace parties can play in providing support for a toxic use reduction strategy.

Ms. Janelle Witzel: As mentioned as well by the previous speakers, Ontario is one of the largest emitters of pollution within North America. In fact, two million kilograms were released in 2006. We were second only to Texas in terms of tonnes of toxic chemicals released within North America. Some of the largest economies within North America—for example, New York state and California—released fewer toxins than Ontario.

Some of these toxins come from manufacturing, and a large proportion as well come from sewage treatment plants. That leads me into one of our key recommendations, which is inclusion of sewage treatment plants within the regulations. Data derived from Pollution Watch indicates that sewage treatment plants are responsible for approximately 87% of mercury emissions, 37% of arsenic emissions and 71% of lead emissions and almost all chlorine emissions into Ontario's water.

Ensuring that the act includes and applies to sewage treatment plants which receive effluent which is released to water from at least 12,000 industrial, commercial and institutional facilities would provide incentive for upstream toxics reduction. It would foster greater awareness of what has been released and would also create pressures for sewage treatment plants to work with municipal governments on stronger sewage control bylaws. Currently, only 260 of 450 Ontario municipalities have sewage bylaws, and the discharge limits differ.

The current best-practice standard for municipal sewage control bylaws would be Toronto's recent right-to-know bylaw. Within this bylaw there is a 100-kilogram reporting threshold and no employee threshold for businesses to emit toxic substances.

Ensuring that sewage treatment plants are within the regulations would have a significant environmental benefit and also result in significant cost savings to municipal governments by reducing the demand on municipal sewage infrastructure.

The Chair (Mr. David Oraziotti): Sorry to interrupt: That's time, but I'll give you 30 seconds to wrap up, if you can, and then we can go to questions.

Ms. Janelle Witzel: I will just quickly, then, run through the following five recommendations.

The bill adopts NPRI reporting thresholds at 10 employees and 10,000 kilograms. We recommend that lower thresholds be adopted, those similar to Toronto's right-to-know bylaw.

We also encourage that products for regulation be adopted and that within one year of passage of the legislation the province identify priority substances for action.

We encourage the expansion of the chemicals list, since some CEPA-toxic chemicals have not been included within schedule 1. We also encourage that schedule 2 be expanded to include CEPA-toxic chemicals, chemicals found in California's Safe Drinking Water and Toxic Enforcement Act, as well as those found on the International Agency for Research on Cancer's list.

Furthermore, we encourage the expansion of the role of the toxics use reduction planners to include water and energy conservation. Additionally, in support of what was said earlier by the previous speakers, we encourage the creation of an institute for the purposes of research, education and information dissemination to promote comprehensive environmental management practices, safer products and the efficient use of resources in Ontario.

1630

The Chair (Mr. David Oraziotti): Thank you very much. Members also have a full copy of your presentation, so we'll move to questions. Mr. Tabuns, you're up first.

Mr. Peter Tabuns: Thanks for the presentation today. We've had some lobbying about this whole question of which chemicals are listed and which aren't, some saying that the list that's in the act is too large and it needs to be reduced. You're proposing an expansion of the list. Can you justify that?

Ms. Janelle Witzel: We encourage the expansion of the list for Ontario to take a more precautionary approach to chemicals management. A lot of the chemicals on schedule 1, the 45 that we see—there is a blunt cut-off, even with those that are subject to NPRI reporting. But in addition to those that are even subject to NPRI reporting, jurisdictions such as California and such as the International Agency on Research for Cancer have iden-

tified additional chemicals that are of concern to all human beings, whether it be for reproductive issues, developmental issues or them being carcinogens. For that reason, we would hope that Ontario would take a precautionary approach and incorporate those carcinogens, those reproductive toxicants and those developmental toxicants currently not included under CEPA and under NPRI reporting into this act.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Orazietti): Thank you. Mr. Flynn?

Mr. Kevin Daniel Flynn: Thank you for your presentation again. It sounds like BlueGreen is going to be a pretty interesting partnership. I'm looking forward to hearing some more from you.

In the short period of time we have, there are a number of questions I have. One was on the toxic reduction targets you're talking about. I note that the state of Massachusetts had aimed for a 50% reduction. In hindsight, was that too small? Was that too high? The point that's being made right now is, really, what should the target be? Were we to have a target, what should it be? Would our putting in place a target right now—would it not be an arbitrary figure?

Mr. Andrew King: It would be an arbitrary figure, obviously enough. The surveillance data that we have currently is not sufficient to tell us exactly what the amounts are. By the same token, if we don't have such a figure, then we can't measure the success of our efforts and show the success of our efforts. I know that 50% was chosen in Massachusetts as an arbitrary figure, but it's a significant step forward. To do anything less than that would be to do less than what we know can be achieved. I would argue, in fact, that you could be encouraged to go better than 50% and go closer to 60% or 70% as an objective.

Mr. Kevin Daniel Flynn: Do I have any more time?

The Chair (Mr. David Orazietti): Very quickly.

Mr. Kevin Daniel Flynn: The other approach that has been suggested is that, at some point in the future, we go back and look at the question of targets, armed with a lot more information. Do you have any brief comment on that?

Mr. Andrew King: That's a great idea. Maybe it'll happen; maybe it won't. The problem is today, in getting things started today and being serious about our objectives today. If you set, for illustration purposes, a target of 50% in 10 years, as they did in Massachusetts, and you see in five years that you've achieved 50%, then you can come back to it. By the same token, if you see you haven't, then you can again measure. You've got something, either way, to measure whether the program is working or not. Without it, you don't have that.

The Chair (Mr. David Orazietti): Thank you. Mr. Barrett.

Mr. Toby Barrett: Thank you, Steelworkers and Environmental Defence. In your recommendation number 3, you advocate that the "substitution of chemicals ... with safer alternatives should be mandatory." I know that

the minister, in his opening remarks, referred to Environmental Defence, Massachusetts and New Jersey and talked about mandatory planning, and then went on to say, "combined with voluntary implementation." "Voluntary implementation lets facilities set goals they can meet at a pace that reflects capabilities and resources."

Any comment on that? That's the opposite of what you're saying.

Mr. Andrew King: Respectfully, I'm not sure, and if it is, then what we're saying is not clear. We're not saying that it should be mandatory that they follow pollution-prevention plans. It should be mandatory that they have them.

Mr. Toby Barrett: Certainly.

Mr. Andrew King: The specific point is that if you are dealing with a chemical that you identify to be toxic, there should be steps taken to try and find a substitute and do an alternative. That already exists in two other jurisdictions in this country without toxic use reduction. In British Columbia, under the occupational health and safety regulations, it is a mandated requirement if substitutes exist. It is also a mandatory requirement under the federal Canada Labour Code, again in the occupational setting, that if a less hazardous substance exists, it should be used. It is common sense, but unfortunately sometimes we need common sense to make it happen.

So we agree with the principle of the act that the planning should be mandatory but its implementation voluntary. We agree with that, but there should be a mandatory requirement to look for substitutes for toxic chemicals that you're using.

Mr. Toby Barrett: To look for them but not implement?

Mr. Andrew King: Well, if you find them, I think there should be an obligation to act upon them.

The Chair (Mr. David Orazietti): That's time. We appreciate it. Thank you very much for coming in today.

Mr. Andrew King: Thank you.

CANADIAN COSMETIC, TOILETRY AND FRAGRANCE ASSOCIATION

The Chair (Mr. David Orazietti): Our next presentation is the Canadian Cosmetic, Toiletry and Fragrance Association. Good afternoon, gentlemen, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five minutes for questions from members of the committee. Please state your names for the purposes of Hansard, and you can begin.

Mr. Darren Praznik: Darren Praznik, president of the Canadian Cosmetic, Toiletry and Fragrance Association. Rory Demetriooff is doing some work with us.

Mr. Chair and members of the committee, thank you for the opportunity to be here today and make a presentation to you. We've distributed copies of our presentation. I don't intend to read it, but I'll walk through some of the highlights. I also want to put our

presentation in context. Some of the previous speakers have been addressing some of the broad aims of this particular bill which the ministry and government are attempting to address. I would like to very much focus on some specifics with respect to our industry and the effects of this bill in the context in which it would be applied to our industry and then conclude with several recommendations that we would make to do with us specifically, rather than the broader issue.

Our industry represents some 160 companies that manufacture, sell, distribute or support the personal care products industry in Canada, a very large segment of which is based in Ontario, including a large segment of the manufacturing portion of our industry. Our industry is very international by nature. The products we produce are not often produced just to supply a local market but are exported internationally, so the manufacturing facilities in Ontario—I speak, for example, of the MAC facility in Markham, which is probably one of the largest of its kind and produces for a world mandate. That really has two effects that I'd like to raise with you.

One is that our products are very heavily regulated as a consequence, not just in Canada today but also internationally—in the European Union, the United States, Japan, and all of the markets that they are going into—for human health, and now, with the growing interest in environmental concerns, also for our ingredients with respect to the environment.

Secondly, the economies of scale and production around them mean that you are producing in a plant for an international marketplace. It's very rare that you're producing just for one particular jurisdiction. The consequence for us, as a matter of policy in our association and our industry generally, is that we have usually always favoured having regulation of our products at the national level, simply because if we have markets segmented by provincial regulation it makes it very, very hard to be able to produce for multiple jurisdictions.

So as a general piece we've always preferred to have federal, national jurisdiction, and we've also worked very closely with regulators internationally to ensure that they are aligning their regulatory requirements to facilitate the movement of those products across boundaries.

One of the direct results of this particular effort in the last number of years has been the adoption of INCI, international nomenclature for cosmetic ingredients, mandatory ingredient labelling of personal care products using a nomenclature that's accepted internationally, which means consumers and their health care providers can identify ingredients in our products no matter where those products are manufactured. I just want to stress again: a very heavily regulated industry internationally.

What are the current regulations that govern us in Canada, just to put our particular products in the context of this legislation? We are governed by the Food and Drugs Act under three sets of regulations: the cosmetic regulations; the drug regulations, where our products have a therapeutic effect; and natural health product regulations, where they are therapeutic with an active

ingredient that is a natural health product. We're also governed by the Consumer Packaging and Labelling Act, the Competition Act with respect to the statements that are made, and the Canadian Environmental Protection Act with respect to the ingredients we use. So there is already a very, very extensive regulatory regime on our products, right down to requirements for labelling and what must appear on a label.

1640

One particular point that I think is interesting to note is with respect to the cosmetic regulations. I think this is a very important point. Under those regulations today, no person can sell a cosmetic product in Canada that is or has in it any substance that may cause injury to the health of the user. It is illegal in Canada to sell a personal care product that may cause injury to the health of the user. That is the law. That is the standard to which our products are held, under current federal legislation and regulation.

Why this becomes so important is because our products have to go through extensive regulatory processes around the world to be safe for the user. I think that a couple of very key principles of that regulatory process under which our products are held up to scrutiny are that, firstly, it is based on sound science and risk assessment, and secondly, that there is a very robust process in which the arbitrator of that decision in Canada is not industry, it isn't NGOs, it is public servants in the federal department of health, Health Canada, who are mandated and have the expertise to make those decisions. Under that process, with any concern about a particular product or ingredient, information can be put into that process and sorted out. Sometimes we're not happy with the result; sometimes others are not happy with the result. But the process does mean that there is an opportunity for that information to be considered, and the arbitrators are public servants charged only with the mandate of protecting the health of Canadians.

We're also governed by the chemicals management plan—I think there was some comment about it—which is a very extensive process that is not just assessing but is now moving through batches in which part of their management tools for chemicals can include reduction of use in products, or actually the virtual elimination of those particular chemicals, if so warranted. So it is a very extensive regime.

I just want to stress again that with respect to our products in the marketplace and human health, and now our ingredients in those finished products with respect to the environment, there is a very, very extensive regulatory process, not just in Canada but internationally, where many of those products are sold.

What I would like to do, then, is get to the specific recommendations for the bill that we would like to make with respect to our products.

We've noticed section 64, which is a proposed amendment that would extend the regulatory power of the minister to products that contain substances that are covered by the act. We appreciate that that might be intended for

purposes beyond our particular products. We very much hope that if that provision is adopted by the committee, they would consider an exemption for finished consumer goods that are regulated under the federal Food and Drugs Act and, I would argue as well, the Canadian Environmental Protection Act with respect to their ingredients.

Again, our principle is not to have two parallel sets of regulation governing the same product that quite often could be contradictory and make it very difficult to comply with both. So that is one particular request that we would want to make.

We also flagged two issues. One is the definition of “substance of concern.” We think that just good legislative drafting and the kind of certainty that anyone needs in dealing with this requires some minimal description of what a concern would be based on. Certainly, if that isn’t the case, this would lead anyone assessing doing business in Ontario to identify it as a significant and unquantifiable risk. So I think good legislative drafting should provide at least some minimal definition of what a concern would be based on.

With respect to “Absolute liability,” we are somewhat troubled by that section. One of the things that I think we’ve all learned—we’ve seen it in health care—is that where you have an absolute liability, people who, with no ill intention, may have made an error are forced underground and don’t come forward, as you know, to discuss with the ministry how to improve their situation. We think you have to look to at least providing some level of defence around due diligence.

Finally, I would like to touch on the issue of an alternative list of substances. We would suggest that such a list would be very useful, for two reasons. There should be a suggested alternative list simply because the complexity of chemicals can have a lot of different results, which may work or may not work as alternatives. Secondly, the purpose of having the list is that it would give a verification outside of our boundaries to other jurisdictions that the government of Ontario has certified these particular substances as possible alternatives.

That’s my presentation in 10 minutes.

The Chair (Mr. David Orazietti): Thank you very much. We appreciate the presentation. We’ll go to questions. Mr. Flynn.

Mr. Kevin Daniel Flynn: Thank you for your presentation. With two family members in the cosmetics business, I understand the impact that you have on our economy.

Often, we think of emissions as something that’s coming out of a smoke stack or something we see going into a tributary. At the end of the day, people are rubbing your products all over their own bodies, so you’d think there would be a heightened sensitivity to that, which gets you into the area of perhaps the consideration of labelling. I haven’t given it much thought in the past myself, but now when I’m thinking about putting on a deodorant or putting on some fragrance—really in the past, I have not known what’s in there. Do you have any

comments? Are you seeing any change from a consumer point of view, where they’re more curious?

Mr. Darren Praznik: First of all, effective about a year and a half ago, there is now mandatory ingredient labelling for all personal care products in Canada, using the international nomenclature for cosmetic ingredients. That is mandatory, so if the product does not have that pursuant to the regulations—there are some exceptions for small-package products where it won’t fit, in which they have to provide it to you. Other than that, you must have it.

Secondly, with respect to cautionary labelling, our regime in Canada is about the right to safe products. This was proposed to Health Canada, we understand, some time ago, and they said, “Wait a minute. If we’re saying this product is safe for the consumer, how do you put a caution on it saying that it may be injurious to you?” That was rejected by them as regulators. They currently have the power to require any type of warning labels on those products. Our regime, how our products are governed under the Food and Drugs Act, is that this product must be safe for use as intended.

Mr. Kevin Daniel Flynn: Am I out of time?

The Chair (Mr. David Orazietti): You are. Mr. Barrett.

Mr. Toby Barrett: Thank you, Mr. Praznik, for the suggested amendments. You make reference to the problems for your industry if there’s duplication, if we’re trying to duplicate what the federal government already does in a well-established way. I imagine there is perhaps a fair bit of trade with countries like Brazil, Argentina and China. In Brazil and Argentina—there are a number of states down there; Brazil has a number of states. They are copying much of the federal approach, as you indicate. Would an individual state in Brazil have to deal with an individual province in Canada like Ontario with this trade back and forth? I’m hoping we’re selling perfume to Argentina.

Mr. Darren Praznik: The practical matter of it is that because these are internationally traded products, if the size of the market for which a labelling requirement or a particular ingredient requirement is too small—and Ontario is a very small market in the overall world; Canada is a small market—it just simply means you won’t make it here; you’ll make it somewhere else and avoid the market.

Your reference to those other countries: Canada’s regulation of these products is so highly respected—our association issues certificates of compliance for export—that these products would not be exported into China, Brazil or others without a certificate certifying they meet Canadian—that is, federal government—standards for health. That’s how these products are exported, MAC being a good example of a major plant in Ontario that exports. In these international markets, if you are not aligned in these processes—I’m not saying lessening standards, but if you’re creating additional labelling requirements, the run just simply isn’t there to produce it for export. It’s easier to move your production some-

where else, export out of there and re-label for Ontario, if that's even viable.

The Chair (Mr. David Oraziotti): Thank you. Mr. Tabuns.

Mr. Peter Tabuns: Thanks for the presentation today. I have to say, I don't have a lot of confidence in the federal government. For close to 20 years, I've had to deal with them on the climate change file, and they've been appalling. They've consistently used the term "sound science" to justify complete inaction. So when you refer to them as the standard by which we should judge our actions, it gives me reason to pause. Are you saying that in the standards set by the Canadian government, there are no carcinogens whatsoever in any personal care products?

1650

Mr. Darren Praznik: Mr. Tabuns, when you assess risk, the water we have, if it comes from a municipal supply, contains chlorine. That is a chemical on the list that Ontario is considering. In the amount that's in our water, for the good it does in protecting us, particularly post-Walkerton, we know that it has a value, and in the risk assessments, it's acceptable risk. Risk is always hazard times exposure. The federal government, using internationally accepted standards for this that have proven their worth in time, makes those assessments to say, "These products are safe when used as intended." They also require the ingredients in them to be listed. So if an individual doesn't agree with that and wants to make a personal choice, they're able to identify that ingredient with their health care provider and so avoid the product.

I think it's very well covered today in determining if we have a safe product, and in the information on the label for anyone who may disagree with that.

The Chair (Mr. David Oraziotti): Thank you. That's the time for your presentation. I appreciate you coming in today.

Mr. Darren Praznik: Thank you.

SARNIA-LAMBTON ENVIRONMENTAL ASSOCIATION

The Chair (Mr. David Oraziotti): The next presentation is the Sarnia-Lambton Environmental Association. Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. State your name for the purposes of recording Hansard and we'll get started.

Mr. Dean Edwardson: Thank you very much. My name is Dean Edwardson. I'm general manager of the Sarnia-Lambton Environmental Association, SLEA. I would like to thank the committee for allowing me to make this brief presentation to you concerning Bill 167, the Toxics Reduction Act.

The Sarnia-Lambton Environmental Association is an environmental co-operative of 24 refining, petrochemical and associated industries in the Sarnia area. The SLEA

promotes the maintenance of a healthy environment through sustainable development by ensuring that members are well informed on environmental issues. Frequent seminars and workshops are held to ensure members understand and comply with current and emerging environmental issues and regulations, as well as control and prevention technologies.

A key element of our operation includes an extensive, technologically advanced environmental quality monitoring network that ensures awareness and understanding of industrial impacts on the local environment and tracks long-term change in air, water and groundwater quality. Continuous records dating back to the early 1960s demonstrate a continuously improving environmental quality, and are routinely shared with the Ministry of the Environment as a valuable resource in the selection of appropriate air and water quality standards.

The members of the association employ approximately 3,500 people and provide economic opportunities for thousands of others in the building trades and supply chain businesses. Our members are a key cornerstone of the manufacturing sector in Ontario.

The SLEA supports the Ontario government's initiative to regulate toxic substances, prevent pollution, and protect human health and the environment. However, our association does not agree with the manner in which the government proposes to do this as outlined in the Toxics Reduction Act.

Our concerns and comments will fall under the following three main areas:

- (1) federal-provincial harmonization;
- (2) reporting requirements: (a) contents of plan; (b) toxic substance accounting; (c) information available to the public; and
- (3) competitiveness and confidentiality.

Federal-provincial harmonization: The SLEA is disappointed that this legislation has not recognized or been harmonized with the federal government's chemicals management plan, or CMP. The chemicals management plan is one of the most stringent processes in the world for the assessment of substances considered to be toxic. We believe that duplicating this process at the provincial level is not necessary and, frankly, is a wasteful expenditure of Ontario tax dollars. Ontario should align its lists with those of the CMP-based toxic substances contained in the Canadian Environmental Protection Act, schedule 1.

We also question the process by which Ontario has proposed substances as toxic. Other than those which are consistent with schedule 1 of CEPA, the process does not seem to be open, transparent or clearly documented based on risk.

Reporting requirements: The SLEA believes that the reporting of toxic substance use in the manufacturing process does not meet the test of any toxics reduction strategy nor does it address the issue of the elimination of human exposure. The Toxics Reduction Act should focus on the reduction of emissions and releases based on scientifically valid risk, where the risk is a function of

both the hazards of the substance coupled with the emission exposure impacts.

Contents of the plan: The requirement to include a description of each process at a facility that uses or creates a toxic substance is very onerous and, in many instances, can be proprietary in nature. The members of the SLEA operate very large and complex facilities and the level of detail and effort of site personnel to achieve this requirement will be resource-intensive, if in fact the objective can be obtained at all. Petrochemical processes are often interdependent, whereby the product of one process may be a key ingredient in another process, which may or may not result in the creation of a toxic substance. The use of a toxic substance may be a key requirement in the process, which does not make it eligible for substitution or reduction strategies.

It is also important to note that the process itself may in fact be intended to produce a toxic substance. Under such scenarios, the SLEA believes that efforts would be better directed to the control and elimination of potential releases as opposed to developing a meaningless reduction strategy, which would only be achieved by shutting down the process or plant in question.

Although the legislation makes reference to "each process," a more practical and meaningful approach would be to address toxic substances based on the overall infrastructure of the plant as a whole, as opposed to each individual process.

Toxic substance accounting: Although not specifically addressed in the legislation, the 2008 toxics reduction discussion paper suggested that materials accounting may be the preferred tool to assess and report on toxics reduction. The SLEA believes, and suggested in our comments on the discussion paper, that materials accounting is only one option that can be used for toxics reduction. Most members of the SLEA do materials accounting as part of their manufacturing management practices. However, there may be other approaches that can be used for toxics reduction. These tools may include direct monitoring of emissions, engineering calculations, risk assessments and use of emission factors. If materials accounting were prescribed, the SLEA would have issues around definitions, limits of detection and exemptions.

Information available to the public: Most SLEA members have community liaison committees which have been in place for some time. These committees have been instrumental in helping the community better understand our operations and their impacts. In turn, our members have a better understanding of the concerns the general public may have with respect to their operations. We continue to diligently address these concerns through a process of mutually respectful, frank and open dialogues. We know that our community has high expectations of local industry. However, the SLEA feels that disclosure of information around the use of toxic substances may create unwarranted fears and unattainable expectations within the community. The SLEA supports the belief that the community has a right to know about toxic emissions and that industry has an obligation to limit emissions

based on a scientific evaluation of the risk for exposure and the potential for adverse effect on human health and the environment.

Competitiveness and confidentiality: It is no secret that the manufacturing sector in Ontario has been impacted significantly by the current economic downturn. Ontario industries face unprecedented economic challenges on a global scale. To compete, manufacturers must produce quality products at a competitive price. The Toxics Reduction Act, as it is presently proposed, will add another regulatory burden and additional costs at a most inopportune time.

Further, elements of this act would potentially result in the disclosure of proprietary business information by disclosing the use and quantity of certain substances. Such information would not be required of companies who import similar products into Ontario. The disclosure of certain information on the use of toxic substances may also pose security concerns as these substances could be used in a variety of illegal activities, which would not be in the best interests of the general public.

In conclusion, the SLEA respectfully requests that the Ontario government consider the following recommendations:

(1) Harmonize Ontario's efforts with respect to the reduction of toxic substances with those of the federal government's chemicals management plan and CEPA's schedule 1 list of compounds.

(2) That the contents of the toxics reduction plan be facility-based and not process-based.

(3) Limit the prescriptive requirement for materials accounting and reporting, allowing for other methods as may be determined by professional judgment.

(4) That the toxics reduction plan focus on emissions based on a scientific evaluation of risk of exposure.

(5) That the information available to the public be limited to the risk of exposure to emissions and not the use or presence of toxic substances in a facility.

1700

Consideration of these changes will help Ontario regulate toxic substances, protect human health and the environment and ensure that the manufacturing sector remains competitive while preserving confidentiality and security.

On behalf of the member companies of the Sarnia-Lambton Environmental Association, I wish to extend my appreciation to the standing committee for hearing our presentation. I would be pleased to answer any questions that you may have.

The Chair (Mr. David Orazietti): Thank you very much for your presentation today. Mr. Bailey, go ahead.

Mr. Robert Bailey: Thank you, Mr. Edwardson, for your presentation today. It was very concise and it pointed out a number of improvements that you think we could make to the bill.

Could you speak, in your professional opinion, to a number of the chemicals that are listed provincially that, in your opinion, should not be there, that aren't on the federal list, and you question why they're there?

Mr. Dean Edwardson: Thanks, Mr. Bailey. I have not done an exhaustive evaluation of those chemicals, but we do know that there were some materials on there that are not presently on the CEPA schedule 1 and vice versa. The federal approach, in our minds, is a better way to go and avoids duplication.

Mr. Robert Bailey: My second question, if I have a moment: In Sarnia–Lambton there has been a lot of concern about a health study. Could you speak to the importance of conducting a health study and about funding from the provincial government?

Mr. Dean Edwardson: There have been a number of stakeholders that have been moving forward with an attempt to evaluate health in the Sarnia area. There have been a lot of inferences made about health conditions in Sarnia. We do know that there is a legacy of mesothelioma. We also know that, based on studies done by community health services, generally speaking, our health conditions, our cancer rates, are no different than any other area, other than mesothelioma.

We have been working with a number of stakeholders on a broad-based approach to try and assess these health issues so that we can fully understand the impacts on our local communities. To that extent, the Ontario government has promised \$75,000, which, thus far, we haven't received.

The Chair (Mr. David Oraziotti): Thank you. Mr. Tabuns?

Mr. Peter Tabuns: Thank you for coming down and making the presentation. I won't belabour the point; I have to say, I don't have a lot of confidence in the Harper government's approach to environmental or health issues.

You talked about taking action to reduce emissions rather than reduce toxics. Do your members ever have an unplanned release of toxic chemicals into the air?

Mr. Dean Edwardson: Yes, they do.

Mr. Peter Tabuns: Do you ever have an unplanned release or leakage of toxic chemicals into the river?

Mr. Dean Edwardson: We have had spills into the river, yes.

Mr. Peter Tabuns: When I've been to Sarnia and talked with the occupational health people, the sense I've had is that they're dealing with very significant public health issues there—toxic chemical contamination—and great concern over that. Your data is showing a very different picture. Is that the case?

Mr. Dean Edwardson: As I indicated, we understand that there is a legacy issue with respect to mesothelioma, but the information that we get from the community health services department suggests that other forms of cancer are very much in line with the other standards across Ontario.

Mr. Peter Tabuns: Some of the chemicals that we work with have an impact on hormone balances. As you probably know, the Aamjiwnaang First Nation have far more girls than boys being born—

The Chair (Mr. David Oraziotti): Thanks. That's time for the questions. We're going to have to move on. Mr. Flynn?

Mr. Kevin Daniel Flynn: Thank you for your presentation. In a previous life, I used to chair the environmental advisory committee of Petro-Canada in Oakville. The treatment of the community by the refinery was just appalling. I saw that go, actually, to an era of mutual respect, but there was definitely a change in the mood of the people as far as demanding much more out of their community facilities than they had in the past. I also worked for Shell Canada for a period of my career, and I noticed that often what was said wasn't often what was done.

Has the relationship between the refineries in your area and the public gotten better over the years? Is it one of respect? Are there still problems there? Because when I hear from a group like the cancer society, for example, the first group today, that tells me that—I didn't have the aid of the cancer society in the past when I was chairing the environmental advisory committee. That tells me that this issue has gone into a different realm in the public's mind. Are you sensing that with the liaison committees that you deal with?

Mr. Dean Edwardson: The liaison committees that we have, and a number of companies have them individually for their operations—in actual fact, there was one called the Bluewater Community Advisory Panel, which is a broad-based committee of a number of people that also deals with a number of our companies. I think the communication is very adequate. I think that the citizens have the opportunity to talk and question and challenge what our companies are doing, and quite frankly I think the dialogue is quite meaningful and very constructive.

Mr. Kevin Daniel Flynn: We did talk about the use of targets. Do you have any comments on that as to whether they'd be appropriate or of any use?

Mr. Dean Edwardson: I guess my answer would be, it depends what those targets are.

The Chair (Mr. David Oraziotti): That's time. Thank you very much for your presentation today.

CANADIAN ENVIRONMENTAL LAW ASSOCIATION

The Chair (Mr. David Oraziotti): Our next presentation: the Canadian Environmental Law Association.

Welcome to the Standing Committee on General Government. Good afternoon. You have 10 minutes for your presentation and five for questions. Please state your name for the purposes of Hansard, and you can begin.

Ms. Sarah Miller: My name is Sarah Miller. I'm a researcher with the Canadian Environmental Law Association, which is a public-interest legal clinic. It has a law reform mandate and it has worked since 1970 to reduce toxics use and influence the shift to a precautionary approach towards harmful substances. With me today is my fellow researcher, Anne Wordsworth, whom I consider to be one of the foremost experts in best practices and toxic use reduction in Canada. She's an expert on labelling.

I would like to say initially that our colleague Joe Castrilli was going to be with us today. He has helped us over the last year to write a model toxic use reduction law for Ontario in anticipation of these efforts and this committee hearing. He's not with us today because he's spending his final days with his wife, who is dying of cancer. On behalf of Joe and others in Ontario, I think we're all here for the same reason, and that is to prevent avoidable diseases. I'd like to thank everyone in the Legislature who has raised those points very well in Hansard. I'm very grateful for the involvement of the cancer society and other health groups like RNAO; they have certainly furthered our cause. We've worked for 20 years on these issues and now, finally, we are seeing a break and we are having people reinforce our concerns.

What we're talking about today is limiting exposures here. That's why this province is taking a hazard approach and not the very long and difficult approach of risk assessment, which takes years and years on a chemical-by-chemical basis. Anne will certainly be able to answer some of your questions on the federal program later.

In our remarks today, we were going to touch on the difference between our act and Bill 167 and we were going to list matters that we feel really need to be included in the act and other components necessary for a successful toxics use reduction strategy in the province. Many of the recommendations that we are making were also echoed by the expert panel that the province enlisted in August 2008 to help them come to the conclusions to identify the substances that they thought should be targeted. We'd like to note that many of their recommendations are not yet in this act.

The province of Ontario in 2006 released 879,246,698 kilograms of toxics to all media. I know that Joe wanted me to especially say today that constitutionally, Ontario has the right to design its own made-in-Ontario solution to made-in-Ontario problems and therefore there is no conflict with federal government actions. We have very special problems with very special substances that were identified by many of the groups who worked together with us on a gap analysis report on the regulation of carcinogens in Ontario. We found that over 200 carcinogens which are in use in Ontario are largely not regulated at all. Before the last election, we were very gratified to get promises from all three parties to act on regulating those carcinogens. This is a first step.

1710

I'm just going to very briefly list the headings. We've given you a very thick report that includes a report that Anne wrote as a background to our model law. We would just like to list matters which we think need to be included in the legislation to make it strong and viable.

The issue of targets has been covered well by other groups and we would recommend that a 50% emissions goal could be recognized within five years.

The fees and funds are really crucial. There are toxics use reduction programs other than the very successful Massachusetts one in the United States. The Massa-

chusetts one was successful because they had fees and funds that were based on the amount of toxic substances used, and those fees powered a huge number of programs out of the University of Massachusetts at Lowell in their Toxics Use Reduction Institute and also technical assistance to other groups. But in Maine and Oregon, where they had no fees, they don't have a similar financial engine. Largely, their actions have not been effective.

Other groups have mentioned that in order to keep up with regulatory reform globally, substitution of safer alternatives that are available—you need to provide for the substitution in this law, because this is the way regulation is going globally.

The establishment of a toxics use reduction institute is, in our belief, essential to success. In Massachusetts, pollution prevention plans were done side by side with certified pollution prevention officers working in each plant with good ideas, with knowledge and expertise on best practices. It was this that made the program a success, not some arm's-length kind of compliance system similar to the one that we have now.

We think that Ontario's shocking emissions records are proof that voluntary compliance just doesn't work. These plans need to be mandatory and industry has to buy into them in a way that we think can only really happen with a very active toxics use reduction institute.

Other things like employee assistance and transition programs are not in this bill. Technical and financial assistance programs for small businesses had been mentioned when the strategy was announced, but the bill itself is silent on this and it's still very unclear to us whether or not small businesses will be covered. If we rely on the discussion paper in September 2008, I don't think that small businesses have yet really been seriously included in this act. We think there needs to be a provision for expanding who this act covers over time so that it can cover all polluters in Ontario.

Enhanced public participation is going to be needed, and this should extend to the public's right to apply for review of pollution prevention and substitution plans under the bill and a public right of action to enforce provisions of Bill 167.

I'm not going to list anything more from our remarks because I really would like to spend the rest of the time here answering your questions.

As an organization, we are also very involved in the chemical management plans and make frequent trips to Ottawa to make input on those plans. We understand there's a lot of confusion between the CEPA substances—the national pollutant release substances—and the substances in these bills, but we agree with the expert committee that they've made the right choices and the right approach, using the National Pollutant Release Inventory first and foremost and also trying to address substances that they know are in use and existence here in the province.

We'd be happy to answer your questions.

The Chair (Mr. David Orazietti): Thank you for your presentation. Mr. Tabuns, you're up first.

Mr. Peter Tabuns: Thanks very much for the presentation, Sarah. That whole question of lists is one that has come up a few times here. Why is it that you believe a broader list, and I think particularly the NPRI list, is one that should be used here rather than the narrower CEPA list?

Ms. Anne Wordsworth: Well, one thing in favour of the NPRI list is that it's a public list and the emissions of the major polluters are disclosed by that list. The list of toxic substances, in that respect, would be completely useless, and in fact there's a lot of misunderstanding about the list of toxic substances. It's about 85 substances that are managed by the government. It's not equivalent to the NPRI in any way.

Mr. Peter Tabuns: The suggestion that we simply be in line with the chemicals management plan of the federal government: Do you have a critique of why that isn't the strategy that you would recommend?

Ms. Anne Wordsworth: Again, comparing the Toxics Reduction Act to the chemicals management plan is like apples and oranges. The chemicals management plan, as other people have said, is based on risk and risk assessment. What we're trying to do, as public interest representatives, is move away from that idea that you have to evaluate and prove a risk of something. We're exposed to so many risks—like products, drinking water, air—that it would be a monumental challenge to try to assess the risks that we are exposed to every day. So let's put that aside and look at what we're trying to do here, and that is to look at toxics as hazardous substances that should be reduced. If you reduce—

The Chair (Mr. David Oraziotti): I'm going to have to stop you there. That's time for that question. We have to move on to the other caucus. Mr. Flynn, go ahead.

Mr. Kevin Daniel Flynn: Thank you for your presentation.

Some of the speakers have made the case, "Why would you need to do this at all? This is really a federal job." I think you've expanded upon why you think that there is a provincial role.

You touched on the role of toxics reduction planners and having plans certified. I think you were talking about how that was used quite successfully in the state of Massachusetts. I wonder if you could expand a little bit more on the role of a toxics reduction planner.

Ms. Sarah Miller: Well, I think the planner actually works co-operatively with each facility, and it's interesting to note that all solutions aren't chemical solutions, necessarily, in toxics use reduction. Sometimes with a waste stream, the solution ends up being recycling a waste stream and reusing it again. Sometimes it means new machinery. There have been a broad range of solutions that aren't strictly all chemical management solutions that have come out of these kinds of plans. So you need engineers who understand the processes; they need to be trained properly to understand the processes. We have quite a broad sector of industries here in Ontario, so we're going to need someone, somewhere, to be training

people to be experts in these sectors. I think that's really a very key portion of this planning exercise.

But when done right, I think—if you listen to Ken Geiser from Massachusetts, who was part of the expert panel that Ontario consulted, everyone's invested in this; everyone's very proud of it. The politicians are proud of the successes that Massachusetts has had, but so is the industry. They feel they have profited financially, and consumer confidence has certainly risen in their products and conduct. I think it's a win-win all around.

The Chair (Mr. David Oraziotti): Thank you. That's time. Mr. Barrett?

Mr. Toby Barrett: Thank you to CELA. As you indicated at the end, Bill 167 mandates this long-overdue planning, and you also said voluntary compliance doesn't work. You're referring to compliance to planning?

Ms. Sarah Miller: Just voluntary compliance to environmental laws in general. I think the volumes of chemicals that are being spewed out in this province simply is a testimony to the fact that without making the planning mandatory, most industries are not going to elect to do it, when all this act is saying is simply, "Consider your use of toxics. Consider how you could productively reduce them. Consider how you could stop these exposures to your workers and consider how you could stop exposing the neighbours to your plant."

1720

Mr. Toby Barrett: Yes. Secondly, you talk about fees on the use of toxic substances. I guess that would be for large organizations. For small business, you call for technical and financial assistance for small business. How would that be funded? I like this idea of carrots. Would this be interest-free loans, grants, tax incentives or low-interest loans to help them do stuff?

Ms. Sarah Miller: I think that the fees overall can fund most of the programs for everyone.

Mr. Toby Barrett: Who pays the money?

Ms. Sarah Miller: The people who use more—the larger users of the largest volumes of hazardous and toxic substances fund the programs for the entire state, is the way I understand it happens in Massachusetts. It's not a problem.

Mr. Toby Barrett: They would have to pay for other companies, like the small companies that don't have these fees?

Ms. Sarah Miller: Yes, they would pay for the information and the technical expertise that's being developed overall for the entire program.

The Chair (Mr. David Oraziotti): I have to stop you there. That's the time for questions. Thank you very much for your presentation.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

The Chair (Mr. David Oraziotti): Our next presentation is the Registered Nurses' Association of Ontario. Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your

presentation and five for questions. State your name for the purposes of Hansard, and you can begin when you're ready.

Ms. Wendy Fucile: Thank you, Mr. Chairman. Good afternoon. My name is Wendy Fucile. I am a registered nurse and the president of the Registered Nurses' Association of Ontario. This is nurses' week, and I have been speaking a lot. I apologize for my voice. I am joined here today by Kim Jarvi, senior economist at RNAO.

RNAO is the professional organization representing registered nurses who practise in all roles and in every sector across this province. Our mandate is to advocate for healthy public policy, and for the role of registered nurses in enhancing the health of all Ontarians.

We welcome this opportunity to present our recommendations to the Standing Committee on General Government on Bill 167, the Toxics Reduction Act, 2009.

RNAO has joined with a broad range of health and environment partners in hailing the introduction of Bill 167 as a courageous first step to rectify Ontario's deplorable record on toxics. We are here to urge the government to take the next step: to strengthen this legislation through a series of amendments.

We come to you today with a sense of great urgency. By this government's own reckoning, Ontario is one of the biggest emitters of toxics in North America. This has dreadful health consequences, most particularly for our children. The ministry has identified childhood health effects of pollution as including cancer; learning, developmental and behavioural disabilities; impaired endocrine function; birth defects; and respiratory problems, such as asthma.

The scope of the pollution tells us that the health effects can only be tragically large. Research into a limited number of environmentally related outcomes, such as Parkinson's disease, diabetes, and neuro-developmental effects, suggests that in these areas alone, the cost to society could come to \$10 billion in Ontario. And so our children are victimized twice, with compromised health and a terrible environmental legacy.

Effective, immediate action is imperative. We must change the way we do business, and we must do it now. The public supports and expects action on toxics and on the economy, and we believe that a well-articulated vision for green economic recovery will maintain and expand that public support. The government has made significant commitments in green energy, and toxics reduction will be another key element of green economic recovery. Please, do not wait on the federal government to act, as some before you today have requested. Ontario has the authority and indeed the obligation to act, and must act now.

Bill 167 is modelled on the successful Massachusetts toxics use reduction program, which saw sharp drops in toxics use, toxic waste, toxic releases and toxics shipped in product. The Ontario bill is framework legislation that depends on strong regulations to be effective. Its stated goals are to prevent pollution and protect human and

environmental health by reducing the use and creation of toxics, and to inform Ontarians about toxics. There is not a lot up front to assure Ontarians concerned about their health that the government can deliver on its promise. You have our submission, which goes into much more detail about areas that we believe require strengthening. However, I will use my limited time to speak to several key points.

First, so far, only \$41 million has been committed to this very important undertaking. RNAO recommends a substantial increase in the allocation to toxics reduction.

Secondly, there are no targets for reduction, whereas Massachusetts had targets in its own legislation, and the Ontario government's own toxics reduction scientific expert panel recommended numerical goals. RNAO recommends targets for use and release, including a 50% reduction in toxic releases within five years of the act coming into force.

Thirdly, there is no provision for an independent academic institute to support business, employees and communities in realizing the objectives of the toxics reduction strategy, again, as delivered in Massachusetts and as recommended by the government's expert panel. RNAO recommends establishing such an institute and funding it from a fee on the use and release of toxics, with a weighting towards fees on release.

Fourth, there is no commitment on the scope of the coverage, and alarmingly, the government's toxics reduction discussion document suggests that most toxics emitters may not be covered. Specifically, the adoption of very high federal reporting thresholds would exclude the vast majority of emitters. For example, here in Toronto today, federal reporting misses 97% of emitters and over 80% of emissions. Exclusion of all but manufacturing and mineral processing will exclude 25% of emissions of large emitters. Only prescribed toxics will be reported. The government discussion document speaks of only starting with 45 toxics out of the hundreds of chemicals of concern.

The right to know about poisons in one's environment is absolutely fundamental. RNAO recommends a more rapid phase-in of reporting and the inclusion of all toxics in the first phase, both those on the 2008 National Pollutant Release Inventory and those not as yet on the NPRI.

RNAO also recommends that the bill commit to a goal of comprehensive coverage of all toxics. Reporting thresholds must be significantly lower than current federal thresholds, and all users and emitters who reach thresholds must report.

Fifth, the bill must make a stronger commitment to labelling of toxics. The public wants labelling and the government must clearly put its commitment to labelling into the legislation.

Finally, the bill does not make substitution of safer alternatives mandatory. When safer alternatives are available, firms must be obliged to use them.

Members of the standing committee, as I have outlined some areas that must be strengthened, I wish to

reiterate that we are seeking to build on what has been presented. MPPs, ministry staff, the government expert panel and many, many community organizations have put in a tremendous amount of excellent work on this legislation, carefully weighing what is possible in the current economic climate. We put it to you that the public is ready for government to put teeth into this legislation and take this bill to its next level, which will make toxics reduction central to a healthier and new Ontario.

Accordingly, in addition to the above steps, we ask you to make the intent of the bill clearer and stronger by including in the preamble an endorsement of the principles of the Canadian Environmental Protection Act—specifically, the precautionary principle, pollution prevention, the virtual elimination of persistent and bio-accumulative toxic substances, and the “polluter pays” principle—and by adding to the purposes of the bill the following:

- the reduction or elimination of toxic releases, and not just their use and creation;

- the promotion of safer alternatives to toxics;

- recognition of Ontarians’ right to know the identity and amounts of toxics that are used or created or that occur in consumer products or are released into the environment or workplace; and

- adoption and application of the precautionary principle and principles of sustainable development to the above goals.

I want to thank you for your attention to this matter, which is of great concern to registered nurses. We will continue to work with government staff and with all parties to ensure that Ontarians get the protection from toxics that they both demand and deserve.

I thank you, Mr. Chairman.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Flynn, questions?

1730

Mr. Kevin Daniel Flynn: Thank you for your presentation. I note that on the sectors you said perhaps we should include more sectors, because we’re only really picking up 75% of the emissions. My understanding is that with the phase-out of coal in 2014, we’d pick up the remainder of those, and there’s nothing to prevent us in the future from just going, I suppose, all the way at the end of the day.

But what I really wanted to question you about was your work with a number of other health disciplines and professionals. The information that becomes available as a result of the plans being prepared: What do you do with that as an organization, or what do your colleagues intend to do with that information, then, in the future?

Ms. Wendy Fucile: At the broadest policy level, we look to that information as a measure of determining the degree to which legislation of this nature is effective. One of our recommendations is around a standing committee, but a research-based institute to really analyze and identify that data with real scientific rigour. We do have on staff at RNAO a number of people who have

expertise in this area. One of them is Kim Jarvi. Kim, you might want to comment about what you now do.

Mr. Kim Jarvi: Well, just to say that the various reporting requirements proposed here, and it’s not just the plans, would be the basis for the right to know about toxics in the environment, so I think that’s a very important accountability and transparency measure as well. These are essential elements, and we applaud the government for putting them in there.

Mr. Kevin Daniel Flynn: Thank you, Kim.

The Chair (Mr. David Oraziotti): Mr. Barrett.

Mr. Toby Barrett: Thank you, Registered Nurses’ Association. You endorse the principles of the Canadian Environmental Protection Act, the precautionary principle, but you would also wish to implement a risk-based approach in this legislation with respect to releases—as you say here, the reduction or elimination of toxic releases, say, into the air, into the water, the environment.

Mr. Kim Jarvi: Our proposal is precautionary-based, hazard-based, as opposed to risk-based.

Mr. Toby Barrett: As opposed to risk-based?

Mr. Kim Jarvi: That’s correct.

Ms. Wendy Fucile: But to be clear, we’re looking for reporting when that happens.

Mr. Toby Barrett: Certainly reporting, but this legislation doesn’t focus on releases, really. It focuses on just that the product is there and having it reported. But you want to go beyond that to focus on some of the other problems when there is, say, an accidental release of one of these toxics.

Ms. Wendy Fucile: Yes, we do.

Mr. Toby Barrett: I guess maybe it’s semantics, “risk-based” and “precautionary.” It looks like you’re asking for both, but—

Mr. Kim Jarvi: There is some difference.

Mr. Toby Barrett: Yes, okay. Thank you.

The Chair (Mr. David Oraziotti): Mr. Tabuns.

Mr. Peter Tabuns: Thank you very much for coming down and making the presentation and giving us the background documentation.

You argued in your presentation that in fact there is a substantial health impact in Canada from toxic chemicals today: reproductive problems, cancer, neurotoxic problems—costs in the billions of dollars. We already have in place a variety of systems to protect people from toxic chemicals, and we’ve heard arguments today that we shouldn’t be duplicating or setting up systems at cross-purposes. Given that as health professionals you see health impacts now, can you say fairly that the safeguards that are in place now are failing, are not actually protecting people’s health?

Ms. Wendy Fucile: We continue to see people who suffer disease and disability and indeed death as a result of exposure to toxics. That alone would suggest that the current structures are not adequate to fully protect the public.

Mr. Peter Tabuns: I would call that a failure myself, but maybe I’m just being picky.

Do you think that the bill, as written, without the amendments you've proposed, will give the protection that's needed to substantially reduce people's exposure to toxic chemicals?

Ms. Wendy Fucile: No. We believe the bill does need to be strengthened to maximize the protection for the community.

The Chair (Mr. David Oraziotti): Thank you very much. That's time for your presentation. We appreciate you coming in today.

CANADIAN PETROLEUM PRODUCTS INSTITUTE

The Chair (Mr. David Oraziotti): Our next presentation is the Canadian Petroleum Products Institute. Good afternoon. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five for questions. Please state your name for the purposes of Hansard, and you can begin.

Mr. Eric Bristow: Thank you. My name is Eric Bristow. I'm the director of government and stakeholder relations with the Canadian Petroleum Products Institute, based here in Ontario. Mr. Chairman, members of the Standing Committee on General Government, thank you for this opportunity to address you.

You are likely not surprised that Ontario's refining industry has taken a keen interest in this legislation. I also hope you are not surprised that Ontario's refining industry, for many years, has taken a keen interest in improving our environmental performance and working to protect Ontarians from exposure to toxic substances.

CPPI supports the public policy imperative to regulate toxic substances and to protect the health of all citizens. However, CPPI does not support the approach contained in the proposed Bill 167. If it is absolutely necessary to have a provincial law, we have suggested amendments throughout this presentation. I would add, though, that it is not clear what public policy benefit is derived by duplicating a federal framework that covers all Canadian jurisdictions.

There are four key issues I'd like to bring to your attention:

- first, the need for federal-provincial harmonization;
- second, the application of this proposed bill to a large facility such as a petroleum refinery;
- third, the extensive requirements in "contents of the plan" and "toxic substance accounting"; and
- fourth, the requirements associated with public reporting and communication.

The first issue is the need for federal-provincial harmonization in the management of toxic substances. This is well illustrated by the definition of what is a toxic substance. The bill itself does not define the basis for what a toxic substance is, which is fundamentally important. Rather, it leaves that to the regulatory stage.

Fortunately in Canada, through the federal government's chemicals management plan, we already have one of the most stringent processes recognized in the world

for assessing which substances should be considered as toxic. The CMP process addresses not only the hazardous nature of a substance, but also the level of public and environmental exposure to that substance. Duplicating this process at the provincial level is not necessary and works against federal-provincial harmonization. Ontario should leverage and stay aligned with the federal government both in respect to the reporting of substances as well as the assessment as to which substances are deemed toxic.

It's clear, though, that the Ministry of the Environment is planning to label many more substances as toxic than those deemed by the federal process. This is evident in the Ministry of the Environment's backgrounder paper, which outlines a list of toxic substances proposed by scientific experts through the government. This was the scientific expert panel. In reviewing the phase I and II lists, Ontario is proposing some substances as toxic that have already been deemed non-toxic by the federal government process. These additional proposed toxic substances on the Ontario list have not been through a transparent process and have not been through an open process. Industry has not been able to assess the science and the risk basis that was employed, as the detailed criteria used by the panel have not been shared.

CPPI's concern for the validity of the panel's work is based on reviewing the proposed additional Ontario toxics lists. For example, Petro-Canada Lubricants, located in Mississauga, is the only Canadian producer of non-toxic white mineral oil, which is on the list, which is used in everyday items from baby oils to gummi bears. As well, it supports the development of innovative, world-class products. There are several other examples of substances that should not be on the list. To help address these concerns, CPPI is tabling in this submission recommended changes to Bill 167 to be more explicit about the basis and criteria for substances to be considered toxic.

Our second issue concerns the application to a large facility, such as a petroleum refinery. Certain levels of toxics, sometimes at very low levels, are naturally present in crude oils. Since crude oil is drawn from nature, a petroleum refinery could not sign a statement that they intend to reduce the use of toxic substances that are contained in crude oil unless they reduced refining in Ontario.

Through the many refinery processing steps, various substances, including toxics, are created, destroyed and changed, all within contained lines and vessels. Therefore, a refinery could not commit to reducing the creation of toxic substances within its processes and continue to provide the petroleum products that Ontario society needs.

In addition, certain toxic substances are produced by a refinery as a feedstock to a chemical operation or are present as part of required product formulations. Some chemicals found on the proposed toxics list are building blocks for making useful non-hazardous products and cannot easily be replaced. Chemicals such as benzene, xylene and toluene are important raw ingredients for

many over-the-counter pharmaceuticals, such as Aspirin, and valuable consumer products, such as medical tubing. To address these concerns, CPPI is tabling in the submission recommended changes to Bill 167.

1740

Our third area of concern is the requirements in “contents of plan” and “toxic substance accounting.” Bill 167 states that the purpose of the legislation is “to prevent pollution and protect human health and the environment by reducing the use and creation of toxic substances.” We believe that the most important test of any toxic reduction strategy is the minimization and, where science dictates, the elimination of human exposure, not how substances are used in the manufacturing process.

Substances that are contained within closed lines and vessels do not themselves present a risk to humans or the environment, and our member companies have very extensive emergency preparedness processes to help prevent the possibility of releases and to deal with them rapidly.

We view that it would be very expensive for a large chemical complex such as a refinery to meet the requirements in Bill 167, which states that for each process in a facility, how a substance enters needs to be tracked and quantified, whether it’s created, destroyed or transformed, and how it leaves the process. The cost of compliance will hurt the competitiveness of Ontario refining, and that level of detail is neither necessary nor useful in terms of reducing toxics that present real risks to people through exposure. To address these concerns, CPPI is tabling in this submission further recommended changes to Bill 167.

Lastly, I turn to the requirements of public reporting and communication. It is very important that the public is informed about the actual risks associated with toxic substances. All CPPI member companies have environment, health and safety procedures to communicate with their local communities about their operation, their emissions, the potential risks, emergency preparedness and key improvement plans. The simple broad sharing of the use of toxic substances that are being properly handled or the sharing of toxic substances in products that meet regulatory requirements does not, in and of itself, provide inherent benefit to the health or environment of Ontarians.

This would also create competitive inequities relative to product imported into Ontario. By example, for vehicle fuels, there are common regulated Ontario and federal standards that a fuel must meet, whether refined in Ontario or imported from elsewhere. If an Ontario refiner is required to conduct additional testing and reporting of chemicals in fuels while fuels imported into Ontario do not, it would add a cost burden to Ontario refiners and put them at a competitive disadvantage versus those refining outside the province.

As a final comment, looking at the Bill 167 compendium, it states: “The proposed legislation also includes regulation-making powers to prohibit or regulate the manufacturing, sale or distribution of toxic sub-

stances.” We know that Ontario is not an economic island, and the authority to ban or restrict the manufacture, distribution or sale of a product known to contain a toxic substance should be with the federal government to avoid different requirements related to commerce by province and avoid the balkanization of the Canadian marketplace.

To summarize, CPPI reinforces:

- the importance of harmonizing through regulations with the federal government, particularly the chemicals management plan;

- recognizing that a facility such as a refinery does not have a practical basis to reduce toxics in its feed-stock;

- reducing the proposed requirements associated with toxic accounting and focusing them on risk-based, reducing total facility emissions that result in exposures; and

- avoiding public reporting and communication requirements that put Ontario industry at a competitive disadvantage versus imported product.

I thank you for your attention, I welcome your questions and I also welcome your support.

The Chair (Mr. David Orazietti): Thank you very much for your presentation. Mr. Barrett, go ahead.

Mr. Toby Barrett: Thank you, Mr. Bristow. You indicated that it’s not so much an issue of how the substances are used, contained within the pipelines, the tanks and what have you; the real key is to eliminate or reduce the risk, say, of emissions to air or land or water. I certainly understand that, but with the refinery you’re dealing with crude oil; you have no choice of what’s in there when it comes in. I assume it’s constantly changing as it goes through the system.

Now, does this principle—so we’re talking about a risk-based approach to eliminate or reduce risk to the environment and human health. Does the risk-based approach also apply to other industries beyond your industry, the petroleum industry?

Mr. Eric Bristow: The concepts I’m talking about, a risk-based approach, to the honourable member, would apply to all of industry. The first premise is understanding substances that are toxic and present, on exposure, risks to people or the environment, and then understanding where they are being emitted from facilities; I’m talking at a total facility level. Where are they coming from, and are they being emitted at levels that are presenting concerns or risks to people or the environment? In that principle, it would apply to all industry.

Mr. Toby Barrett: All industry. Thank you.

The Chair (Mr. David Orazietti): Thank you. Mr. Tabuns?

Mr. Peter Tabuns: Eric, thanks for the presentation. I appreciated the opportunity that you and I had to talk on Ontario environmental industry association day as well.

We’ve had health care professionals talk about the health impacts of toxic chemicals in our environment. Public health people are going to be talking I think next, and they may well have very similar commentary. The

cancer society had great concern about the impact of toxic chemicals. In my mind it's very clear: We have a problem of toxic chemicals in our environment and current federal regulation is not dealing with it, so there's a responsibility for authorities at the municipal and provincial levels to take up the slack.

I think notwithstanding the ability of engineers—and there are a lot of bright people out there—the nature of industry is that it is messy: Leaks happen, spills happen and workers are exposed inadvertently to toxic chemicals that will leak from sealed systems. So there is an interest in not just avoiding planned or controlled emission but in reducing the overall exposure.

In Massachusetts they have a system where companies account for the chemicals that they produce and are making efforts to reduce those chemicals. Those companies have been saving money. That's the word we get back from Massachusetts. Why is the Massachusetts system not applicable here in Ontario?

Mr. Eric Bristow: The concepts within the Massachusetts system that relate to understanding emissions I think are applicable, so understanding emissions and how they relate to risks that they present to people.

It's interesting, to the honourable member, in terms of trying to learn from other jurisdictions, my understanding is that they don't have a refinery in Massachusetts that this model has attempted to be applied to. So that makes it somewhat difficult. I think another challenge, in taking the Massachusetts model and applying it to the Ontario situation, is that we have a much more diverse and complex industrial base, including a lot of industry, be it mining, minerals or petroleum, that takes stuff from the ground, or trees, more so than would be the case in Massachusetts. I would encourage that while there are elements around understanding emissions and how emissions can be potential exposures which are valued from the Massachusetts model, the part around simply looking at the use of something or the creation of it where there aren't exposures is taking valuable resources, putting them into accounting and understanding that information, which will take resources away from working on a risk basis to actually reduce emissions that are causing issues and concerns.

The Chair (Mr. David Oraziatti): Thank you. That's time for questions. Mr. Flynn?

Mr. Kevin Daniel Flynn: Thank you again, Mr. Bristow, for your presentation. Just going back to my days when I chaired the environmental advisory committee at the Petro-Canada refinery in Oakville, that went from being a process where, at the beginning of the process, I have to say, without picking on any one company, the management of that particular oil company was openly hostile and adversarial to the community. Twelve years of meetings later there was actually an air of mutual respect between the two parties, and I got the impression that the refinery was trying to work with the community. So I've witnessed a change.

I guess I'm a little bit taken aback here, where the intent of the legislation is that it's compulsory that a plan

be prepared, and the implementation of that plan then becomes a voluntary initiative. You seem to be making the case that that would be an onerous burden for us to be placing on your industry. As somebody who has worked in a refinery and has worked 12 years with an advisory committee, I guess I'm just not getting that.

Mr. Eric Bristow: I'm not suggesting that the concept of developing a plan to reduce the emissions of toxics is onerous. The point I'm trying to make is that the development of the plan to be a value-add needs to be focused on where it makes a difference. Where it makes a difference is understanding your emissions and understanding where emissions are creating exposures and impacts on people and the environment. By understanding that, you could look at that on a risk basis and say, "Let's focus on this particular area and prioritize working on that." That would have value.

1750

The part of the legislation which doesn't have value—

Mr. Kevin Daniel Flynn: Could I jump in there, just so I understand it? Could that not be part of your plan? Could that not be the plan, to focus on those high-risk areas?

Mr. Eric Bristow: If that's where the plan requirements stopped, that would make some sense. The problem is that the plan requirements go far beyond that. It looks at all aspects of use and creation, even if those substances never see the light of day.

Mr. Kevin Daniel Flynn: But it's still on a voluntary basis.

Mr. Eric Bristow: Well—

The Chair (Mr. David Oraziatti): Thank you. That's time, gentlemen. Thank you for coming in today for your presentation.

ONTARIO PUBLIC HEALTH ASSOCIATION

The Chair (Mr. David Oraziatti): Our next presentation: the Ontario Public Health Association.

Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation. Whoever will be speaking, just please state your name for the purposes of recording Hansard, and you can begin when you're ready.

Ms. Connie Uetrecht: I'm Connie Uetrecht. I'm the executive director of OPHA. On my right are Carol Timmings, our president, and Helen Doyle, one of our volunteers. She's an environmental health expert from one of our health units.

Thank you for the opportunity of appearing before you. We commend your government for taking action to reduce exposure to toxic substances in order to improve the health of the public. This act is a good first step.

Just a little bit about who we are: The public health association is a member-based, volunteer, non-profit organization that provides leadership on issues that affect the public's health and strengthens the impact of people who are active in public and community health throughout Ontario.

Among our members are the public health inspectors and environmental health specialists who implement health hazards prevention and management programs under the Health Protection and Promotion Act and the many public health professionals who are implementing the chronic disease prevention program, which of course includes cancer prevention. We are a supporter of the Take Charge on Toxics campaign, which is being led by the Canadian Cancer Society.

Why does this legislation matter to us? Our organization of course is very concerned about the toxic substances in air, water, land and consumer products. Some of these substances cause cancer and birth defects, contribute to asthma and have other adverse health effects. Ontario ranks second only to Texas in the tonnes of toxic chemicals released into the environment and is highest among the provinces in environmental carcinogen release. We believe that our citizens have a right to know what is in our products and in the environment.

We support your Bill 167 to reduce toxic substances. This legislation will help protect human health by reducing exposure to toxic substances. It requires industries to track, quantify and report on toxic substances that are used and created in their facilities; it informs Ontarians about their plans; it regulates the manufacturing, sale and distribution of substances and consumer products that contain toxics; and it provides technical and financial assistance to smaller businesses and strengthens the green economy.

We think, however, that the legislation could be substantially strengthened in the following ways, and I'll let Helen identify those.

Ms. Helen Doyle: We understand that a lot of these sections will be addressed in the regulation, but we just wanted to reiterate the areas we'd like to see strengthened:

- set targets for the reduction in use, creation and release of toxics; for example, a 50% reduction in five years;
- inform the public of exposures in their environment and in products made, purchased or consumed;
- address more substances, lower the threshold and include more sectors;
- require the substitution of safer products where possible;
- assist companies in finding safer alternatives to toxic substances; and
- develop a reporting system to monitor progress of toxics reduction.

With respect to setting targets for reduction in use, creation and release of toxics, the statute should include set reduction targets and renewable reduction targets. We feel these targets are necessary to stimulate reduction and regulate toxics use and release. We also believe that the targets can spur innovation and allow benchmarks for measuring and monitoring progress. Other jurisdictions in the United States and Europe have demonstrated this to be the case. As well, the Ministry of the Environ-

ment's toxics reduction scientific expert panel has also recommended that these targets be set.

Ms. Carol Timmings: OPHA supports your commitment to inform the public with the posting of a summary of industry's plans. We also recommend, however, that the legislation require companies to also disclose their actual use, creation and release of toxic substances. All ingredients in consumer products should be disclosed on product labels and, if cancer-causing, the product should display a hazard symbol.

The 45 substances identified in the legislation represent only 14% of the total number of substances currently subject to the NPRI, an already inadequate list of toxic substances that should be subject to reduction. The threshold for size of company covered by this legislation should also be reduced from 10 to five employees, otherwise our concern is that only a small percentage of companies are really affected.

We also would like to see all sectors that use listed substances above the regulatory threshold included.

With respect to substitution, the proposed legislation only encourages voluntary reduction and substitutions. Ontario is the top discharger of toxins in North America. An implementation of safer alternatives is critical to reducing harmful emissions. Substitution of priority chemicals is now required under the EU's REACH program and soon will be introduced into the Massachusetts safer alternatives bill. Requiring substitution will really assist in spurring green technology and green industry.

Ms. Helen Doyle: This legislation should assist companies in finding alternatives. An institute to assist companies to reduce toxics use and release is critical to the success of this legislation. Identifying safer alternatives and substitutions should be guided by the best available science, and a toxics use reduction institute is the best way of ensuring this. The Ontario Public Health Association recommends that a university-based research institute be established to increase Ontario's capacity for toxics use reduction activities, safe substitutions, green chemistry, education and information outreach and, most importantly, training on toxic reduction plans. Massachusetts, as you're aware, does have a toxics use reduction institute with a broad range of services with which they are able to support smaller companies in finding alternatives. As well, there's our Take Charge on Toxics campaign, which is led by the Canadian Cancer Society. We also recommend this.

We also would like to see a reporting system to monitor progress. We feel that industry needs to be held accountable to the public for its use, creation and release of toxic substances and that there should be full disclosure to the public. Local health units often get asked questions about toxins in the environment. Full disclosure is needed for health units and the public to understand local exposures to potentially toxic chemicals and public health impacts.

Ms. Connie Uetrecht: We want to thank you again and commend this government for introducing this legis-

lation. We would encourage that it be strengthened using some of our suggestions.

The Chair (Mr. David Oraziotti): Thank you for your presentation this afternoon. Mr. Tabuns, you're up first.

Mr. Peter Tabuns: Thanks very much for coming down and making the presentation. You're health professionals. You think that there's a health problem with toxic chemicals in our environment today. Is that correct?

Ms. Carol Timmings: Yes, that's correct.

Mr. Peter Tabuns: You would not be here if you didn't think that there were health impacts from the toxic chemicals that are going into our air and water. Is that correct?

Ms. Carol Timmings: Absolutely.

Mr. Peter Tabuns: So the suggestion that the current federal legislation and action on this issue are adequate to deal with the problem is probably not an accurate suggestion. Is that correct?

Ms. Carol Timmings: That's correct.

Interjection: That's correct; absolutely.

Mr. Kevin Daniel Flynn: Thank you. I had a bit of a similar question. This is getting to be a bit like the three bears here.

Mr. Peter Tabuns: But friendly bears.

Mr. Kevin Daniel Flynn: Somebody thinks the proposed bill is too hard, somebody thinks it's too soft, and the answer is probably somewhere in the middle.

Mr. Peter Tabuns: No, no.

Mr. Kevin Daniel Flynn: What I'm thinking of is, from a practical perspective, what will you do with this information? Part of the process is to get the information in the first place, is to ask about 75% of the emissions produced—we'll be able to keep track of them, in a way, and we're hoping that industry, on a voluntary basis, then will follow up and decide that it's going to reduce its emissions. As public health professionals, what do you do with that information? What practical value is it to your profession?

Ms. Helen Doyle: I can answer that. From my perspective, I would say that would help us in following up on inquiries or complaints that we get from the public. I work at a local health unit. When we do get complaints, one of the issues we have is that we don't have information on exposures or on local levels of pollutants and

we try to work with our local Ministry of the Environment office. But that information is not available at the local office as well, so if we want to try to track exposures and try to relate those exposures to potential health impacts, we don't have that information to do that.

The Chair (Mr. David Oraziotti): Mr Barrett.

Mr. Toby Barrett: Thank you, to the Ontario Public Health Association. You state here, "Ontario ranks second ... to Texas in the tonnes of toxic chemicals released" and Ontario is the worst in Canada as far as the carcinogen release. This bill doesn't seem to be dealing with actual releases into the air, the water or into the environment. The focus is on filling out forms about the toxic products that they are using, hopefully safely. So I wonder if you could comment: Just how effective is this kind of legislation going to be, to have the mandatory filling out of forms, but there's not focus in this legislation on dealing with the risk of the actual releases? It doesn't seem to be addressing that. It's mandatory form-filling.

Ms. Helen Doyle: My understanding of section 9 and section 49 of the proposed bill—I think it does address emissions, because it speaks to tracking and quantifying. I think part of tracking substances would be the emissions of those substances as well.

Mr. Toby Barrett: Okay, then. But it's not mandatory to do anything about it, other than to report on it. I just wonder if that is perhaps a misallocation of resources, where the people in the industry, given the resources or direction, could do something more about the releases and perhaps spend less time filling out forms. I'm looking for results here.

Ms. Connie Uetrecht: It's hard to know until you've actually done some work—

Mr. Toby Barrett: I know they do it in Massachusetts. They've been doing it there for 20 years.

Ms. Connie Uetrecht: Yes.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation and for coming in today.

That concludes presentations for today. The committee's adjourned until Monday, May 25, at 2 p.m. in this room.

The committee adjourned at 1804.

CONTENTS

Wednesday 13 May 2009

Subcommittee report	G-733
Toxics Reduction Act, 2009, Bill 167, Mr. Gerretsen / Loi de 2009 sur la réduction des toxiques, projet de loi 167, M. Gerretsen	G-733
Canadian Cancer Society, Ontario division	G-733
Ms. Irene Gallagher Jones; Ms. Kathleen Perchaluk	
United Steelworkers; Environmental Defence	G-736
Mr. Andrew King; Ms. Janelle Witzel	
Canadian Cosmetic, Toiletry and Fragrance Association	G-738
Mr. Darren Praznik	
Sarnia-Lambton Environmental Association	G-741
Mr. Dean Edwardson	
Canadian Environmental Law Association	G-743
Ms. Sarah Miller; Ms. Anne Wordsworth	
Registered Nurses' Association of Ontario	G-745
Ms. Wendy Fucile; Mr. Kim Jarvi	
Canadian Petroleum Products Institute.....	G-748
Mr. Eric Bristow	
Ontario Public Health Association	G-750
Ms. Connie Uetrecht; Ms. Helen Doyle; Ms. Carol Timmings	

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Oraziatti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Oraziatti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Mr. Toby Barrett (Haldimand–Norfolk PC)

Mr. Kevin Daniel Flynn (Oakville L)

Mr. Peter Tabuns (Toronto–Danforth ND)

Clerk / Greffier

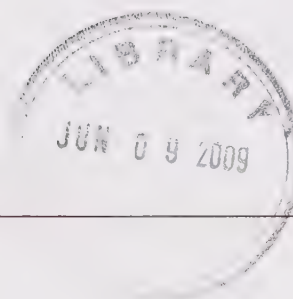
Mr. Trevor Day

Staff / Personnel

Mr. James Charlton, research officer,
Research and Information Services

CA20N

Xc16
-G23



G-30

G-30

ISSN 1180-5218

Legislative Assembly of Ontario

First Session, 39th Parliament

Assemblée législative de l'Ontario

Première session, 39^e législature

Official Report of Debates (Hansard)

Monday 25 May 2009

Journal des débats (Hansard)

Lundi 25 mai 2009

Standing Committee on General Government

Toxics Reduction Act, 2009

Comité permanent des affaires gouvernementales

Loi de 2009 sur la réduction
des toxiques

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.



LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
GENERAL GOVERNMENTCOMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES

Monday 25 May 2009

Lundi 25 mai 2009

The committee met at 1405 in committee room 1.

TOXICS REDUCTION ACT, 2009

LOI DE 2009 SUR LA RÉDUCTION
DES TOXIQUES

Consideration of Bill 167, An Act to promote reductions in the use and creation of toxic substances and to amend other Acts / Projet de loi 167, Loi visant à promouvoir une réduction de l'utilisation et de la création de substances toxiques et à modifier d'autres lois.

The Chair (Mr. David Orazietti): I'd like to call the committee to order and get back to our hearings on Bill 167, An Act to promote reductions in the use and creation of toxic substances and to amend other Acts. Just for the information of members of the committee, there is an interim summary of recommendations on your desk that has been provided by legislative research. With that, we'll get started.

ONTARIO BIOAUTO COUNCIL

The Chair (Mr. David Orazietti): Our first presenter is the Ontario BioAuto Council. Welcome to the Standing Committee on General Government. You can state your name for the purposes of our recording Hansard, and you can begin when you're ready.

Mr. Craig Crawford: My name is Craig Crawford. I'm the president and CEO of the Ontario BioAuto Council. I've passed out copies of our presentation to the committee, which goes through some detail of who we are and our position on the bill. We outline some of the business opportunities and emphasize the role of research and innovation. I didn't want to take the committee through the details of this at all; I just wanted to summarize some of the key points that we'd like to emphasize.

First of all, we're very supportive of the general direction the government is trying to take to make the province a healthier and safer place and to try to create green jobs.

We see tremendous opportunities in this area for green jobs. There are a number of studies that have taken place that try to estimate that, and it's somewhere in the order of \$140 billion to \$210 billion globally. So there are huge market opportunities out there.

If you look across Canada, the industries that would use those new technologies are largely the resin and plastics industry. There are about 100,000 jobs out there in that sector, and they ship about \$28 billion. So there's a lot at stake here to try to move Ontario and Canada to the forefront of toxic chemical reduction.

The government, in our understanding, basically has a two-pronged approach: one, regs, where they're trying to implement the regs in a way that is reasonable and fair to business; and then financial incentives for industry to help implement the strategy. I didn't really want to talk here about the regs. I really wanted to emphasize the incentives for industry, which I think are not really sufficient and are too narrow in scope. They're allocating \$24 million to do auditors and planners. While that might be necessary, I don't think it's sufficient. What we really need, I believe, is targeted funding to industry to develop very innovative and competitive products.

1410

I'd like to give you a couple of examples about what the BioAuto Council is doing. The council involves everyone from agriculture and forestry, who provide renewable materials, through plastics makers, to auto companies. We have a fund that is called the commercialization fund. The money came from the province, and what it's for is to try to develop competitive products. We would like to see more of an emphasis on this.

This is what's called a headliner. It's the part that goes above on the roof of the car, and it's made out of polyurethane foam. Woodbridge Foam is the company that made this. What they did is replace the polyurethane foam with a bio-based foam that doesn't use ethylene or propylene oxide--two of the toxic chemicals that are discussed in the legislation--but it goes further than that. They've evolved innovative, new manufacturing equipment that makes this thinner and lighter, so that not only do you eliminate toxic chemicals but you have a car that's lighter, gets better gas mileage and reduces greenhouse gas emissions.

On top of that, to give structure to the headliner, the company has replaced fibreglass with natural fibre, so you have a safer fibre and it's recoverable. The idea is, we sell this to Japan, and they can then take this and recover the energy and the chemicals.

I don't think you're going to get a product like this just out of implementing the regulations. There has to be a complementary piece that helps industry develop these kinds of competitive products.

I'll give you another example. This is an inside door panel. It's made from polypropylene, which is a non-toxic plastic, and it's reinforced with pulp mill fibre to give it sufficient strength that it can replace steel. It's non-toxic, it's lighter, it can replace steel, get better fuel economy, get greenhouse gas reductions, get jobs for people up north, and it's recyclable. The microfibre technology allows us to recycle this, and the more you recycle it, the stronger it gets. It's all in the material science.

So what we're saying, simply, is that we think that to really create these green jobs, to be not just good but great, to be a world leader, we really need to think about how we can supplement the Ministry of the Environment's regulations with investments in research and innovation, targeted not just to universities but to companies to help them accelerate market introduction of these new products.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation and for your comments. We have a few minutes for questions.

Mr. Barrett, questions?

Mr. Toby Barrett: I guess we've heard a bit about dashboards and other products made from agricultural crops. Are there any projections on what impact this would have on agriculture? I'm thinking of soybeans, for example. How significant could this be? I know we're producing millions of cars less right now, but just making a projection, say, once that industry recovers.

Mr. Craig Crawford: I don't have any hard and fast numbers for you, but in discussions with the soybean growers, I think they see this as a very positive development. It creates alternative markets for soybeans—not just for the oil, but there are other applications using the soy meal.

Mr. Toby Barrett: The DuPont example you give, the starch-based 1,3—is that grain corn-based or what would that—

Mr. Craig Crawford: It's corn-based, yes. They're looking at using corn now and, as the technology develops, using what they call lignocellulosics for the feed-stock source. It would be corn stocks and things like that.

We actually have a pilot plant for that. There's Cerenol that we reference in that document. There's a pilot plant in Kingston, Ontario.

Mr. Toby Barrett: The Ontario BioAuto Council—you're an agency of the Ontario government? How is this set up—

Mr. Craig Crawford: I would describe it as an industry-led, not-for-profit organization that tries to pull together industry and link them up with centres of excellence for research, like our universities, Auto21, Ontario Centres of Excellence, this sort of thing, so that you link companies in with sources of innovation coming out of our universities.

The Chair (Mr. David Oraziotti): Mr. Tabuns, questions?

Mr. Peter Tabuns: First of all, thank you. What you're doing is extremely interesting, extremely useful.

One of the things that was done in Massachusetts when they brought in their Toxics Use Reduction Act was to set up a toxics research institute at a university to help industry make the transition. Is that sort of structure one that would be useful to bioauto developers here in Ontario?

Mr. Craig Crawford: Yes, I think it would be. One possible location for that institute could be Queen's. The BioAuto Council wrote a letter of support to Queen's to try to obtain federal money. We were successful—\$9 million. They're trying to pull together university experts across the world to bring these ideas forward to industry, and we would definitely work very closely with them.

There are innovations that come out of university and there's research and innovation that comes out of business. The real trick here, I think, to become global leaders is, how do we pull those two pieces together and get the best out of it? In this particular case, the fibres were a university innovation, but some of the other components of the innovation came out of industry. So it was joining the best and the brightest from both university and industry. We really have to do both, not either/or.

Mr. Peter Tabuns: Okay. Thank you very much.

The Chair (Mr. David Oraziotti): Mr. Flynn.

Mr. Kevin Daniel Flynn: Thank you, Craig, for your presentation. We hear a lot of talk these days about things like green chemistry, green engineering, that type of thing. Sometimes the terms are perhaps abused and sometimes they're not used the right way. Is there some real potential for advances in that field as a result of the passage of this bill?

Mr. Craig Crawford: Yes, I think there will be. Again, there's a lot of talk inside the bill about green chemistry and green engineering, but there are other sciences here that could benefit as well: biotechnology, nanotechnology, material science. There's a whole range of emerging sciences here that I think could benefit.

Mr. Kevin Daniel Flynn: Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

ONTARIO CENTRE FOR ENVIRONMENTAL TECHNOLOGY ADVANCEMENT

The Chair (Mr. David Oraziotti): Our next presentation is the Ontario Centre for Environmental Technology Advancement. Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five minutes for questions from members. You can start by stating your name for the purposes of Hansard, and you can begin when you're ready.

Mr. Fred Granek: My name is Fred Granek. You have my bio, my presentation and three recent case studies in the handouts that you've all received. Thank you for the invitation.

I'm going to be talking about pollution prevention, toxic use reduction and the business case that ensues.

On slide 2: My experience is based on being responsible for the Toronto region sustainability program, a one-stop pollution prevention technical assistance program for small to medium-sized manufacturers throughout the GTA over the last nine years.

If you go to slide 3, the premise I'm making is that any manufacturer anywhere has a system for quality management to avoid defects, and from my standpoint, pollutants and wastes are quality defects. If you look at avoiding defects, you're trying to make products, not wastes.

1420

There are really six key questions to ask if you're doing a toxic use reduction pollution prevention plan. What are your processes? What are your wastes? What are the priority waste streams you want to address, using the 80-20 rule that 80% of the wastes come from 20% of the sources? The root cause analysis is fundamental. Why do you have the wastes? What are the solutions that you can do to eliminate the underlying root causes of the wastes? And the one that is most important for driving implementation: What is the business case? I'm going to quickly go through only slices of three case studies to illustrate my point.

The first one is a public case study with Trimac, a service provider for the auto industry that cleans totes and portables and used methylene chloride, a toxic under the Canadian Environmental Protection Act. If you go to slide 6 and look at the process column on the left, "Tote and portable cleaning," you can see that the target pollution was methylene chloride. It's very functional, very inexpensive and toxic. The solution, working with a consultant, was to replace methylene chloride with baking soda driven from a Blaster Master. That eliminated the use of 62 tonnes a year of methylene chloride, the savings were \$162,000 over waste water treatment costs and payback was 0.2 years. You can see the rest of the examples on that slide. Basically, you're talking about integrated solutions, but it was pretty spectacular.

Slide 7: a chemical company subject to the sewer use bylaw in Toronto that makes glycerine and oleic acid. The regulatory trigger was sewer use--you have toxics--but they wanted to reduce their costs.

If you go to slide 8 and look at fatty acid and glycerine production, the targeted pollutants for that particular process were zinc and nickel, which are subject pollutants under the sewer use bylaw, and hazardous wastes. By rethinking the process, the company is precipitating, coagulating and flocculating their nickel wastes from the condensates. They've eliminated 120 tonnes of hazardous wastes a year, they're saving \$140,000 a year in disposal costs, the capital investment was exactly \$7,000 and the payback was less than a month. You can look at other examples at the bottom: They reduced wastes, toxics, hazardous wastes, water. Again, there's money in avoiding waste.

The last example to illustrate the theme is a paint manufacturer, again triggered by the sewer use bylaw and Ministry of the Environment regulations on air emis-

sions. On slide 10, notice the middle group, the resin plant. They were using bisphenol as a thickening agent. Bisphenol is needed so that paint sticks to the wall and doesn't run off, and they use very fine particles to mix well. By rethinking the process, they migrated to a pelletized version. That eliminated 13 tonnes a year of fugitive losses of very fine toxic material that was floating out the stack--a saving of \$27,000--and the capital investment was exactly zero. They just rethought the process. Other paint manufacturers are still doing it the other way, and an engineering way would have been to put in ventilation hoods at \$80,000. They just rethought the process.

Slide 11: Working with 58 clients to date and 323 projects, you can see the list of environmental reductions we've achieved by doing pollution prevention with manufacturers. Volatile organic compounds, fine particulate matter--the reduction in toxics is equivalent to the weight of 37 SUVs. The avoidance of water loss is equivalent to not flushing the toilet 95 million times.

If you go to slide 12, you see the return on investment on average--simple payback. It's 11 months, and 90% of the clients, based on business cost avoidance and the business case, are implementing all or most of the recommendations.

My conclusion, on slide 13, is very simple. The business case for pollution prevention for toxic use reduction is three things: TUR is led through process efficiencies and minimizing material input and minimizing waste outputs--it avoids costs; business risk reduction, which is hidden costs of non-compliance, the threat of regulation, like TUR and others things; and business cost is competitive advantage. That's the business case. By doing it right, all three things can be achieved.

My name's Fred. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. We have time for questions. Mr. Tabuns?

Mr. Peter Tabuns: Mr. Granek, thanks for the presentation. I certainly have to say that I'm impressed by the results that you were able to generate.

What would this act need to give you a more effective framework within which to operate?

Mr. Fred Granek: The act right now would be mandating toxic use reduction planning. That would be an incredibly powerful driver for generating more throughput, because right now, we're using many different ways to market--sewer use, air emissions, whatever. This would be an overwhelming driver for going in the right direction.

The premise I have, though, is that the act needs to look at the full suite of tools to make business decisions. That means it's not just accounting for materials, it's also the root cause and the business case associated. With those elements, you have a very powerful way of driving people to basically sustainable performance.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. David Oraziotti): Mr. Flynn.

Mr. Kevin Daniel Flynn: Thank you for your presentation. Of the three examples you cited, just putting

myself in the shoes of the owner, I'd be upset if my employees or the managers I had working for me had not drawn this to my attention. It seems to me, if I understand your presentation correctly, that the savings you are illustrating in each of the examples would be savings to the corporation. They're not societal savings; they're actual savings of hard cash.

Mr. Fred Granek: They're savings of cash and environmental reductions--both.

Mr. Kevin Daniel Flynn: Okay. Some people have offered the opinion that toxics reduction is going to cost them money. Why is that? Why does that school of thought still exist?

Mr. Fred Granek: The school of thought, in my opinion, exists because if you're looking just at the Toronto sewer use bylaw and you're looking just at toxics, it's hard to get a good payback. What we're talking about is doing it in an integrated fashion: toxics, hazardous waste, processed waste, water, energy, smog precursors. Then there's a good payback. If you're doing it very narrowly, it's very difficult if you're talking about small quantities.

Mr. Kevin Daniel Flynn: Okay. But why, from a business planning perspective, isn't it done in the broader spectrum by business itself?

Mr. Fred Granek: Habit, inertia.

Mr. Kevin Daniel Flynn: Thank you.

The Chair (Mr. David Oraziotti): Mr. Barrett?

Mr. Toby Barrett: Thank you for the presentation. On page 2, you talk about the importance of prioritization and you pose the question of what are your priority waste streams. Again, just to follow this thread of a good business, it doesn't make sense to waste resources working on some of the products that maybe aren't necessarily a risk for people or are not subject to release into the environment. Do you think that would be important, to make some changes in this legislation so that it actually works on the right substances rather than all toxic substances, whether they're a risk or not? Should we focus or should we continue with this approach, which looks at dealing with every single substance?

Mr. Fred Granek: If you're looking at a company and you're looking at every substance that's on the legislative table, there are only going to be a handful that are relevant to any particular facility. A priori it's very difficult to tell. Once you're done your internal inventory, then you know. So your priorities, instead of being 400, will be 10. It bubbles down, but for somebody in government to tell everybody in industry what their priorities are--every paint manufacturer, every metal plater, has a different process. The list is probably a good start, but the method of going through the discipline is necessary. So the onus is on both sides.

1430

Mr. Toby Barrett: Okay. Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation.

Mr. Fred Granek: Thank you.

CANADIAN CONSUMER SPECIALTY PRODUCTS ASSOCIATION

The Chair (Mr. David Oraziotti): Our next presenter is the Canadian Consumer Specialty Products Association. Good afternoon. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions from members of the committee. You can start by stating your name for the recording purposes of Hansard, and you can begin when you're ready.

Ms. Shannon Coombs: Thank you very much. Good afternoon, Mr. Chair and honourable committee members. It's a pleasure to be here today to provide an overview of the Canadian Consumer Specialty Products Association's suggested amendments to the proposed legislation, Bill 167, and some of our recommendations for the committee to report back to the government for further action.

Who is CCSPA? Well, let me introduce myself. I'm Shannon Coombs, the president of the Canadian Consumer Specialty Products Association, and with me is Anne McConnell, my colleague, who has been helping me work on the toxics legislation and some of the discussion papers that we've had since last August.

We're a national trade association that represents 45 member companies across Canada. We're collectively a \$20-billion industry. We employ directly 12,000 people at over 100 facilities, 65 of which are in Ontario. Our companies manufacture, process, package and distribute consumer, industrial and institutional specialty products, such as soaps and detergents, pest control products, aerosols, hard-surface disinfectants, deodorizers and automotive chemicals.

I've provided the clerk with copies of our submission and our one-pager, which gives you a very colourful, very illustrative description of our products that the members make. I'm sure many of you use some of those products every day.

Why are we here? The health and safety of Canadians is the priority of CCSPA members. Our member companies are leaders in the responsible use of chemicals for consumer and institutional products in Canada, and we are committed to the safe and appropriate use of our products. We support and appreciate the government of Ontario's commitment to ensuring the safe use of chemicals.

Over the past year, we've announced a number of voluntary initiatives, such as lowering the amount of phosphorus in automatic dishwasher detergent. We have Concentrate on the Future, a communication initiative for consumers which helps explain the 2X and 3X that you see on your bleach in your laundry these days. As well, we announced a voluntary ingredient disclosure initiative, which would allow companies to disclose their ingredients, whether on product labels and/or a member's website.

So can Canadians be confident that the products are safe? Yes. The products that they purchase have all had

various levels of government review and oversight, and that level of oversight depends on the product. All products, such as laundry powder, liquids, fabric softeners and dishwashing liquids, have either had a new substances notification review under CEPA or an existing substance review under the chemicals management plan by the federal government. If any of these types of consumer products make antibacterial or antimicrobial claims, such as “kills 99% of germs,” then they’re also regulated under the Food and Drugs Act. As well, our labels are regulated by the consumer chemicals and containers regulations under the Hazardous Products Act. The foundation of this particular regulation is science. It’s a hazard classification, but it provides risk communication to consumers. We’ve had appropriate regulation for over 39 years.

Given the diversity of the product types that our member companies represent, we are subject to various laws and regulations under the Canadian Environmental Protection Act, the Pest Control Products Act and the Food and Drugs Act. Therefore, the experience that we’ve had to date with various pieces of legislation, we hope that you will find helpful.

We have a few suggested amendments to the proposed legislation. We’re going to focus on three key ones for today. We would like to include a definition of “toxic,” remove the term “substances of concern,” and we want to streamline the authority for regulating toxics in consumer products by providing clear and concise language in the bill.

So what are we asking you to consider? We respectfully request that there is a clearer definition of “toxic substance” in the bill; we find it is a bit odd that the name of the legislation has “toxic” in it, but it is missing. We think that it would provide a clear and transparent definition, and therefore be able to be well understood by all those who are going to be implementing this bill.

We are suggesting using the Canadian Environmental Protection Act’s definition of toxic substances for the purposes of this bill, and the precise definition is in our submission. If it’s included, we believe that the term “substance of concern” can be removed from all relevant sections of the legislation.

We’re also seeking the removal of section 64, clause 49(1)(n.1)(ii), where clause (n.1) states, “prohibiting or regulating the manufacturing, sale or distribution of,” which clearly gives the Ontario government the authority to take action on toxic substances in consumer products via regulations. Clause (ii) of section 64 doesn’t provide clarity, we believe, and uses a very broad term, as in “anything that contains a toxic substance.”

Clause (ii), as we said, is broad, and we believe it would be counterproductive to providing a meaningful piece of legislation, as just about anything can be construed as a toxic substance. Safety depends on exposure as well as hazard. Many products contain substances that could be toxic in another situation but are safely used in beneficial and desired products, such as sunscreen, coffee and pharmaceutical active ingredients.

Therefore, we believe that, as I said, if the government wishes to move ahead with regulations, in section 64, clause 49(1)(n.1), when you say “prohibiting or regulating the manufacturing, sale or distribution of,” it gives the authority to the government to undertake the regulations that they wish to develop to protect the people of Ontario.

We appreciate appearing before the committee today with our recommendations to improve this important piece of legislation, and if you have any questions, I’d be pleased to answer them.

The Chair (Mr. David Orazietti): Thank you very much. We’ll start the questions with Mr. Flynn.

Mr. Kevin Daniel Flynn: Thank you for your presentation and thank you for the suggestions you’ve made for amendments. As you’re probably aware, some parties are saying that this bill goes too far and others say that it doesn’t go far enough. You, perhaps, are in the former as opposed to the latter.

Some people are saying that we should mandate the substitution of toxic substances with safer alternatives where those alternatives are available. Do you have any comments on that suggestion? Also, where do you think the balance should be struck between protecting the interests of the public when they want to know what’s in a product and proprietary information that a corporation may hold on certain ingredients that are in a product?

Ms. Shannon Coombs: On your second question, all of our ingredients are regulated under the Canadian Environmental Protection Act under the chemicals management plan or under new substance identifications, and a lot of our end-use products are regulated under various acts as well. That’s one of the reasons why our industry was very proactive and responsible with respect to disclosing the ingredients. As of January 1, 2010, you’ll be able to know what is in your cleaning products, on the label or on the manufacturer’s website. We’re very committed to that and to being transparent, because our products are safe.

Mr. Kevin Daniel Flynn: So that shows there is room for improvement, then.

Ms. Shannon Coombs: What?

Mr. Kevin Daniel Flynn: Obviously you are making improvements.

Ms. Shannon Coombs: We are providing the information, yes.

Mr. Kevin Daniel Flynn: Which I think, as a member of the public, I see that as—I’m thankful you’re doing that.

Ms. Shannon Coombs: Thank you.

Mr. Kevin Daniel Flynn: And on the other question?

Ms. Shannon Coombs: On the substitution?

Mr. Kevin Daniel Flynn: Yes.

Ms. Shannon Coombs: As I mentioned, all of our ingredients are regulated under various laws and regulations. Canadians can be confident that the products are safe to use as intended. I guess I struggle with a little bit of your question.

Mr. Kevin Daniel Flynn: Some people are suggesting that it should be mandated; that if a safer alternative exists, you should be forced to use that alternative.

Ms. Shannon Coombs: If the original ingredient is safe, I would argue that you should be allowed to use that, because you are regulated under various laws.

Mr. Kevin Daniel Flynn: I've probably used up my time, but I think they said "safer," not "safe"--a "safer" alternative.

Do I have time left?

The Chair (Mr. David Oraziotti): No, that is time. Thank you. Mr. Barrett.

Mr. Toby Barrett: We've been working on this for a number of weeks. I think this is maybe the first time I've actually seen a definition of what a toxic substance is, and we thank you for that. I think this is very important. It has taken this long to find out just exactly what we're talking about here.

I understand your concern with respect to the term "substance of concern." I had half a cup of coffee this morning. I don't drink coffee, and I made the mistake of drinking it on an empty stomach and at a very high dosage. I consider that cup of coffee a substance of concern, and I probably won't drink another coffee for about a year. But I use that example because: How does one decide what anything is or what a substance of concern could be? Is that based on the risk to people's health, or does that fall into this other phrase under the rubric of the precautionary principle? I just wonder: How does one make these kinds of decisions, or is there any valid line of reasoning to make these kinds of decisions? I don't think it's based on science. I just wonder: How are these decisions made?

1440

Ms. Shannon Coombs: I think Anne is itching to answer that question, so go ahead.

Ms. Anne McConnell: In listening to your question, I think that is our question, that "substance of concern" doesn't actually have a definition. You might be concerned about coffee; I might be concerned about a pharmaceutical product I'm using. So it comes back to having a robust definition of what is toxic so that you can evaluate substances against a definition. I think it kind of reflects on the earlier question about "safe" or "safer." You need to have some science-based criteria by which you would evaluate whether it's toxic or not.

Mr. Toby Barrett: Okay. And that might not be present in this legislation.

Ms. Anne McConnell: Correct.

Mr. Toby Barrett: Yes. Okay. Thank you very much.

The Chair (Mr. David Oraziotti): Mr. Tabuns?

Mr. Peter Tabuns: Thanks for the presentation. I don't know if you followed the earlier presentations, but we've had the Canadian Cancer Society, the Registered Nurses' Association of Ontario and the Ontario Public Health Association come in and say that in fact we have a problem in this society with cancer, with neurotoxins and reproductive toxins, and that this legislation, as written, is not adequate to actually protect the population.

I have to say that I've dealt with the federal government on environmental issues in the past, and I'll cite climate change as the easiest one: Their record of protecting the public has been abysmal. So a suggestion that we should rely on the federal government for protection is one that I find surprising.

Why do you think that your testimony and position is stronger on health than the registered nurses, the Ontario Public Health Association and the Canadian Cancer Society?

Ms. Shannon Coombs: Thank you for your question. I think there are a couple of things. One is that we live very much, every day, in the regulatory world in Ottawa of the Canadian Environmental Protection Act, the new substances notification regulations and the chemicals management plan. The science, the rigour, the data calls, the amount of testing data that is submitted--it's onerous and it's rigorous. It's science-based. So we're living that, very much, every day, and the fact is that our products are highly regulated: the ingredients and the end products, and so is the labelling. We are very much committed to meaningful and risk-based information to consumers. We would welcome any kind of science-based discussion with the cancer society or the Registered Nurses' Association of Ontario.

Mr. Peter Tabuns: So are you suggesting that in their presentations they're overstating the risk to the public of toxic chemicals?

Ms. Shannon Coombs: I wouldn't want to presume to suggest. I think that they're very committed. Both of the groups are very committed to what they do. What I believe is that at times, there may not be an understanding of the rigour that goes into the registration of these products. The labelling of these products is risk-based. Consumers have had this type of information for the past 40 years. I believe that we have a very rigorous system here.

If there is a gap analysis that is the basis for moving forward, for us to do more, then we're committed to working together to find that end. Anne, did you want to add--

The Chair (Mr. David Oraziotti): I think that's time.

Ms. Shannon Coombs: Oh, is it? Oh, sorry.

The Chair (Mr. David Oraziotti): Yes, that's fine. Thank you very much for your presentation today. I appreciate your coming in.

ARTHUR JEFFORD

The Chair (Mr. David Oraziotti): The next presentation, the United Steelworkers, will not be making a presentation this afternoon. Our presentation from 4:15 has agreed to go ahead. So, environmental plastics: Mr. Jefford.

Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions from members. You can state your name and you can get started.

Mr. Arthur Jefford: My name is Art Jefford, of Jefford Industries: environmental plastics, environmental enclosures, environmentally friendly, healthy living environments.

First of all, I wish to apologize for filling in what perhaps might have been a break for you, but I hope you're not going to hold that against me.

Some questions were asked: What's toxic and what's not? What's toxic and what's not relates to TLV individually.

The second thing is, in our parliamentary effort to protect us, to preserve our environmentally friendly, healthy environments, what we do now is perhaps too late. It is now time to dig in and protect ourselves and buy still more living time. While we need to fix the problems, we may need more time than we have left.

Respectfully, I believe this committee is addressing only the scientific concerns and failing to address the human well-being impact of all those affected by toxics legislation.

So I am here to present to you an illustration of what can happen if you do not include in this legislation a pre-impact safety valve and a simple procedure to appeal for redress.

Let's look at energy efficiency to reduce toxicity. Precedents of action for saving our environmental toxicity: Today, right now, our prime concern is making an indoor safe air environment for us to be able to recoup and recharge our overtaxed immune system, as this can be individually controlled and we can monitor that toxic environment. The reason for concern is that our polluted outdoor air environment is individually uncontrollable. It's a global problem, and it should be addressed on that level.

What can, in some cases, be more toxic than scientifically identified listed toxic concerns is a parliamentary trend to save us from harm. So what has happened in the past when we failed to consider parliamentary legislation impact on the few to protect the many? Let's look at the urea formaldehyde foam ban.

On December 17, 1980, at 10:30 in the evening, the Minister of Health, Canada, announced the UFFI ban. This time, we acted before the US. Unknowingly, I was helping train new sales agents till after midnight that night. I went to the plant at 5:30 a.m. the next morning to help get the crews out to all the jobs. I verified the work schedule and all the while nobody said anything about the UFFI ban. My ex-wife was in talking to a divorce lawyer at 10 o'clock that morning. I didn't find out about the problem until the bank called me at work at 10:30 a.m. advising me I had \$55,000 in stopped payments and my business was banned. I needed to come in and see them right away.

Disbelieving what I was told, my normal routine, at my 10:30 a.m. lunch break, was turned upside down. I couldn't even verify with Health Canada that I was banned, but after a newspaper verification I started calling all the crews off the unfinished jobs and started endeavouring to deal with the unimaginable health

hazard created by my member of Parliament's premise of protecting my health. The US banned UFFI six months later, only to have the US ban overturned one year later as UFFI was not a known health hazard, and all impacted parties were compensated.

In Canada, after a board hearing was requested on the UFFI industry, I was allowed five minutes only to address the board and this time took all my introduction time requesting to be treated other than as an upset homeowner as I could offer the board a lot more information under the mandate. I was thanked by the board members for my attendance and five minutes' limited presentation.

So I went back to deal with the 3,483 legal actions for \$484 million I had identified by March 5, 1981, 78 days after the ban that kept on coming.

In 1982, I asked my MP, Don Blenkarn, to stand on the front steps with me and say, "Don't bulldoze your house," only to have both of us removed by police just before the home was destroyed. My brother's home was levelled and caused intense family stress. How can Health Canada ban it as a hazardous product if it isn't even a health hazard?

My next member of Parliament, Bob Horner, took the exact opposite UFFI position. He was with the Mulroney government that said, "When I was accused of the RCMP allegations, I lost three years of my life." Well, this took three decades of mine, 28 years.

My new member of Parliament reported me to the Canadian national security police. Now I have suffered RCMP attendances at my home. My other family members have claimed to be so upset that I could threaten Canada's homeland security and I feared the rest of my life being spent in Gitmo Kingston, Canada. Seven years later, in October 1987, returning from two weeks from Germany as head of the Canadian delegation, I was arrested and taken to Detention West, deliberately avoiding service as now 130 bench warrants over UFFI had been issued for my arrest ever going on to the present.

After 9/11, I was requested to go and meet at a bar in Bali. Twenty minutes after I declined to go and did not appear there, it was blown up. My three American associates just escaped before.

In January 2004, as a Canadian expert on the special international task force dealing with post-9/11, the preservation of high-rise structures and bridges, I was picked up by a cell, repeatedly beaten, covered in blood, vomit, urine, diarrhea, stripped, repeatedly drowned and died over and over again only to wake up again. I escaped three days later and went to a small local hospital in a captive's clothing. After being given IVs, I was discharged as a foreign indigent. I picked up my ID in the locker kept for me in the storage locker, as I owed room rent. I went to the better big-city university hospital and was admitted for a week and treated for near-death dehydration. I was able to message home that I was recovering in hospital and was able to return to Canada. The only RCMP help to those missing me in Canada was a helpful hint of advice given to verify that I did not

come back to Pearson Airport as expected and was missing.

1450

During the torture, I released information that I thought was of no importance: that I was a Queen's Scout and held a bushman's thong; was senior NCO in command, sergeant-major of 1 MP, military training of cadets at Base Borden; I was senior commissioned in command, major commissioned officer of a cadet corps. I thought this was better than expanding on my captors' no-knowledge of my bush pilot hours of flight experience, but it seems that what this did was create difficulties for those caught up in recruiting of the Toronto 18, which I again ran into difficulty in being harassed, for which I apologize to them.

With the use of safe UFFI around the world being recognized as one of the best insulations after our recent Canadian RetroFoams, three years of usage in Ontario, the Canadian government's acceptance and then Health Canada's advisory of 11-2009, toxic regulations need to be universal or we will just wait briefly for the next Canadian entrepreneur to advertise, sell and distribute, directly and indirectly, to the next stigmatized Canadian in any one of the ridings of our members of Parliament, all across Canada, the next devastation and years of loss of one's life and their family's lives from exposure to a toxic material that isn't a toxic.

Urea formaldehyde foam insulation is not banned properly because it's banned as "foam-in-place," and it isn't a foam-in-place insulation. Like urethane, with a blowing agent, it is mixed as a pre-mixed insulation and then injected, much like you would pump concrete into a cavity. The urea formaldehyde ban, although banned absolutely on schedule 1, did not ban spray foam, did not ban spray-on-board stock, did not ban pre-houses and did not ban building blocks or ICFs. Should it have been banned under part II? Well, it didn't matter, because they didn't properly ban with the three elements.

Then again, we now have ICQ tests of indoor air quality and how safe or how toxic the air is inside homes. We test among 267 other formaldehyde-emitting products and say, "This proves how bad urea formaldehyde foam insulation is," which was on the outside of the national mandatory vapour barrier that separates the inside of the house from the outside. So how can you test one area and say something else is bad?

The Chair (Mr. David Oraziotti): Thanks for your presentation. That's time. Mr. Barrett, go ahead if you want to ask some questions.

Mr. Toby Barrett: Thank you, Mr. Jefford. With respect to urea formaldehyde, just to summarize on that, what evidence was there as far as mortality or morbidity with respect to people living in homes? Was Canada the only place that banned it? I'm not sure where else it's been done.

Mr. Arthur Jefford: It's only a Canadian problem. In numerous formaldehyde tests, morticians who work with formaldehyde all the time have an average life expectancy of seven years longer than people who don't.

Basically, it pickles you while you're dead, but it pickles while you're alive, too.

Mr. Toby Barrett: Okay. I think of other products that I've worked with, like--well, with insulation alone, you think of Styrofoam, SM or that closed-cell blue SM. Vermiculite: We used to work with vermiculite. We use that in greenhouses, in plants. Have any of those products--I think vermiculite has been identified as a problem.

Mr. Arthur Jefford: Containing asbestos, yes.

Mr. Toby Barrett: I beg your pardon?

Mr. Arthur Jefford: Containing asbestos.

Mr. Toby Barrett: Vermiculite has asbestos in it?

Mr. Arthur Jefford: But it's deemed to be a legal product for distribution in Canada. In foreign countries, we can kill people outside of the country with it.

Mr. Toby Barrett: Canada does export asbestos, as I understand.

Mr. Arthur Jefford: If you've followed our leader of the opposition, you will find that he made quite an error on the asbestos, where he said, "Well, if it's killing people, we should remove it." Then he took a back-step and said, "Well, we allow it to be shipped to foreign countries, when they accept it to be used in their country, and kill their people."

Mr. Toby Barrett: Okay, thank you.

The Chair (Mr. David Oraziotti): Thank you. Mr. Tabuns?

Mr. Peter Tabuns: Mr. Jefford, thank you for the presentation. I find I have no questions.

The Chair (Mr. David Oraziotti): Mr. Flynn?

Mr. Kevin Daniel Flynn: Thank you, Mr. Jefford. You used a term that I found interesting; I've never heard it before: a pre-impact safety valve. What did you mean by that?

Mr. Arthur Jefford: What I'm saying is that I was chairman of SPI. I was involved with this. We did \$120 million a year with 1,005 employees and we got no notice whatsoever about this. Boom--and my court cases still come today. There should be a seven-year statute of limitations, but there isn't; they still keep coming.

Mr. Kevin Daniel Flynn: So how would you define exactly what you mean by pre-impact safety valve? What, practically, is it?

Mr. Arthur Jefford: If you're going to ban some product, then I think at that point in time you should identify that particular product--"We're going to add it to list a, b, c or d, and we're providing notice"--and then try to identify who those people are that could be impacted from it. So you have a pre-impact thing. Then if you install the legislation and the safety officers come to say, "Hey, this is a problem," you need to have an area where you can redress it and you can say, "Well, look, this isn't what you're claiming it to be, and you haven't passed the legislation the way it should be. We're working together, we're co-operating to solve it and to have everybody have health and well-being."

Mr. Kevin Daniel Flynn: Do I still have time, Mr. Chair?

The Chair (Mr. David Orazietti): Very briefly.

Mr. Kevin Daniel Flynn: The intent here is that it would be compulsory for businesses in Ontario to prepare a plan based on their toxics use, and then the implementation of a plan to deal with the reduction would be on a voluntary basis. Would that give you the sort of time you're talking about? You're saying that yours happened overnight: One day the product was legal; the next day it was illegal. In this case, we're asking that over the next few years business come forward with a plan to reduce toxics use. Is that more in line with the process you'd like to see?

Mr. Arthur Jefford: As the head of the Canadian delegation to international standards on plastics, I propose what you call a VOC test procedure. In other words, you would have a box, you'd put your material inside it, you'd have air coming in, and you'd monitor the air outside, much like we do to control a house environment, where you have a sealed-up building envelope, you have air in. And the only exception to this, which we normally do--we only have an air-to-air heat exchanger--is that you also put a scrubber on to it. So you scrub off some of the nitrogen, increase the oxygen content. People who have a taxed immune system can then turn around and recoup and be able to then go out into our toxic environment and better deal with their threshold limit value--because you're always adjusting up their threshold limit value and sensitivity to any irritant or toxin.

The Chair (Mr. David Orazietti): Thank you. That's time. We appreciate you coming in today.

CANADIAN CHEMICAL PRODUCERS' ASSOCIATION

The Chair (Mr. David Orazietti): The next presentation is the Canadian Chemical Producers' Association. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five for questions. You can begin by stating your name for the purposes of Hansard, and you can start your presentation when you like.

Mr. Norm Huebel: My name is Norm Huebel. I'm the Ontario regional director of the Canadian Chemical Producers' Association.

The Canadian Chemical Producers' Association represents leading companies engaged in the business of chemistry. Member companies apply the science of chemistry to create innovative products and services that make people's lives better, healthier and safer. The business of chemistry is a \$27-billion-a-year enterprise for CCPA's industrial chemical manufacturers, through which they provide the basis for the broader \$50-billion-a-year chemical and chemical products sector.

The chemical industry is the fourth-largest in the manufacturing sector, creating up to 280,000 jobs. The basic chemicals and resins subsector provides jobs with salaries in excess of \$69,000 a year. Our members are efficient converters of energy and add up to 10 times to

the value of Canada's natural resources by upgrading natural gas, oil, electricity and minerals.

CCPA member companies are committed to improved environmental, health and safety performance and to social responsibility through Responsible Care. The Responsible Care ethic and codes of practice apply sustainable development throughout the life cycle of chemicals.

Mr. David Peters: My name is David Peters. I'm the manager of environment, health and safety and Responsible Care for BASF Canada.

BASF Canada is part of the BASF group of companies, with headquarters in Germany and regional headquarters in the US. BASF is the world's leading chemical company. We operate five manufacturing facilities in Ontario, with a head office in Mississauga, and employ over 500 employees.

BASF Group has four strategic guidelines, one of which is to ensure sustainable development. For BASF, sustainable enterprise means combining economic success with environmental protection and social responsibility, thus contributing to a future worth living for coming generations. Many BASF products help the end user reduce their environmental footprint. Some examples are:

BASF catalysts that are used in automotive catalytic converters make the tailpipes of today's cars many times cleaner than in previous generations;

Our insulating products make buildings many times more energy efficient, saving fuel and reducing air emissions. Our Toronto facility blends resins used to make polyurethane foam insulation; and

BASF plastics used in components like intake manifolds on automobiles make them lighter and more fuel efficient.

1500

Mr. Norm Huebel: We're here today to talk to you about a good idea that's gone wrong. Conceptually, reducing people's exposure to toxics is fundamentally sound; however, reducing toxics use will not accomplish this. Use could go down, but releases or emissions could go up. We have to reduce the risk of exposure to toxics.

I'd just like to refresh your minds with respect to risk. As you know, risk is equal to hazard times exposure. Consequently, if we can reduce the probability of exposure, we can reduce the risk associated with toxics. To use an example that is not presently covered by the act--because most of it is used by municipalities, but everyone can associate with it--let's talk about chlorine, which is an extremely hazardous substance. It is this hazardous nature that allows us to make our water safe to drink. Surely we don't want to reduce the chlorine that is being intentionally put into the water. Think of Walkerton. What we want to do is reduce the risk associated with chlorine by reducing the probability of exposure, not the use.

That being said, we need a good, sound, scientific process for assessing the risk of potentially toxic chemicals to know what chemicals to work on. We have that with the chemicals management plan and risk assess-

ments under the Canadian Environmental Protection Act administered by the federal government. We don't have to re-invent the wheel in Ontario and add unnecessary burden to Ontario's industries by creating a completely different process that does not assess risk.

As I said in the beginning, we want to talk about a good idea that's gone wrong. It can be fixed. We have redrafted a number of the sections of the proposed act to improve it and to ultimately deliver on its potential without putting undue administrative burden on industry.

I'm going to cherry-pick some of our redrafts; the complete redraft is a part of this package. For instance, in section 2, "Definitions," "toxic substance" should be defined as a substance on schedule 1 of the Canadian Environmental Protection Act and prescribed by the regulation as a toxic substance for the purposes of this act.

The other area is the elimination of "Substances of Concern." We feel that this section should be eliminated. The CCPA does not understand why there is a separate definition for substances of concern. The purpose of the act relates to toxic substances and does not mention substances of concern, and the explanatory backgrounder accompanying the act and the more detailed backgrounder that was also made available with its introduction do not justify creating this class of substances. If, as it is implied in the explanatory backgrounder, the purpose is to report on these substances because they are not on the federal National Pollutant Release Inventory list, then instead of setting up its own reporting regime, Ontario should seek to have these substances added to the NPRI. Legislation should only be introduced if there is a clear purpose, and there is none for substances of concern and their reporting requirements.

With respect to releases, in all the areas where the act talks about toxic substances that are used or created, the words "released" or "releases," as appropriate, should be added. When we look at sections 50 to 64 limiting regulatory powers, the CCPA recommends that sections 50 to 64 be deleted as we do not believe that there is any basis for Ontario to have regulation-making powers to prohibit or regulate manufacture, sale or distribution. This is the job of the federal government under CEPA, which is very up-to-date legislation from 1999 that was reviewed federally in 2008, with all-party agreement it was fundamentally sound.

Our detailed drafting is included as part of this package. We do not have time to cover all the redrafting details here as we want to give David the opportunity to tell you what the real-world implications of this act, as originally proposed, are to companies such as BASF.

Mr. David Peters: The most significant area of concern for BASF Canada is that the proposed act does not address the risk of exposure to toxic chemicals. This results in problems for manufacturers in Ontario. By calling substances toxic based on hazard and not risk, facilities that safely manage the risk--i.e., reducing the probability of exposure--will still face pressure to stop using the substances.

Section 4, "Contents of Plan," states that a toxic reduction plan must contain a statement that the owner or operator of the facility intends to reduce the use of the toxic substance at the facility, if used at the facility. This means that even if a facility has very few emissions of a substance, the facility must plan to reduce use or include a statement as to why the facility will not reduce use.

BASF Canada and its customers in Ontario will have no intention of reducing the use of many of the chemicals proposed to be listed as toxic by the act because there are no safer substitutes and the risk is acceptably managed. These facilities should instead continue to focus on reducing the probability of exposure to the substances. The problem that the act creates is that substances regulated as toxic will carry a stigma even if the risk is managed to a safe level. Customers might demand that toxics be formulated out of products that they use even though the risk is low. An unintended consequence of not focusing on risk might be substitutions to substances not on the list of toxics but that actually have a higher risk.

Here's an example: Polymeric diphenylmethane diisocyanate--I'll call that MDI--is a key component in making polyurethane foam and is an industrial adhesive used to make oriented strand board, or chipboard. MDI is listed on schedule 2 of the toxic reduction strategy document. Therefore, the OSB mills in Ontario--and there are quite a few of them, probably three or four or five, maybe--would be required to plan on reducing their use of MDI or explain why they won't. They really have no viable options for reducing use. If they reduce the output of OSB, this would make them less competitive with mills in other jurisdictions. If they switch back to only using phenol formaldehyde as the glue, they would produce an inferior product, lose market share and result in larger emissions of formaldehyde from both the mill and from off-gassing of the board in people's homes. MDI is safely used in these mills, governed by strong occupational health and safety regulations, with minimal emissions from the mills. MDI also reduces the off-gassing from the board. MDI is also used to make polyurethane insulating products such as steel foam doors, insulating panels and spray foam insulation. These products greatly increase the energy efficiency of buildings, resulting in less heating use and fewer greenhouse gas emissions.

We have a plant in Smiths Falls, Ontario, employing 22 people, that makes specialty aluminium pigments for the export market. Aluminium is the first product listed on schedule 1. The facility has minimal emissions of aluminium from the site. Their options are to move to another jurisdiction or to state that they have no intention to reduce use.

By not focusing on risk, the proposed act will result in wasted effort in the manufacturing sector as facilities defend their safe use of toxic substances. The federal government's chemical management plan is based on risk. There is a great opportunity to harmonize and align the Ontario act with the federal CMP, which would result in a stronger Canadian environmental protection framework.

We thank you for your time and are pleased to answer any questions that you might have. Note that suggested redrafts of Bill 167 are part of the submission as well, as Norm pointed out.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Tabuns, you're first up.

Mr. Peter Tabuns: Thanks for taking the time and coming down and making the presentation today. The question I have for you, first off, is, do you ever have accidental releases of toxic chemicals into the environment?

Mr. David Peters: Accidental releases of hazardous chemicals? On occasion, yes, and some of them are toxic. But one of the things we're arguing about here is also the definition of "toxic," where toxic is exposure times the hazard.

Mr. Peter Tabuns: The thing that strikes me--and I had an opportunity to be in Sarnia last year--is that, on occasion, there are releases from chemical plants there which result in warnings to the population to go indoors. So if you're releasing chemicals that pose that sort of immediate risk to people, I don't see the logic in avoiding reducing the use of those chemicals or the substitution of those chemicals with less dangerous substances when that opportunity presents itself.

Mr. Norm Huebel: There are certainly opportunities, maybe in some instances. But to use the example of polystyrene, you take benzene, which is extremely hazardous, you convert it to styrene and then you convert it to polystyrene, which is completely non-hazardous. There is no substitute for producing polystyrene from something else. So as a society, you'd have to determine whether you want to forgo having polystyrene, with all of the end uses that go with it, because you can't reduce it.

Mr. Peter Tabuns: But as I understand it, in this act, the opportunity is there to replace toxic or hazardous chemicals with non-toxic and non-hazardous as the opportunity presents itself. It doesn't call for the elimination of all toxic and hazardous chemicals.

Mr. Norm Huebel: But I guess we're not arguing about elimination, we're arguing about how you define "toxic" and the process used for toxic. The act, the way it's proposed right now, has pollutants as the basis for it, not toxics, and there's a big difference between pollutants and toxics.

1510

Mr. Peter Tabuns: I would say that if you're introducing something into the environment that damages health, is a neurotoxin or a reproductive toxin, causes cancer--pollutant or toxic, something that kills you immediately--it's to the advantage of society as a whole to have a reduction of those substances, not only in the case of your using them but also in terms of wastes that are generated.

The Chair (Mr. David Oraziotti): That's time, Mr. Tabuns. Thank you.

Mr. David Peters: One example is that you have ethanol on the list--

The Chair (Mr. David Oraziotti): That's time for that question. We're going to continue.

Mr. David Peters: Okay, sorry.

The Chair (Mr. David Oraziotti): It's okay. Mr. Flynn, go ahead.

Mr. Kevin Daniel Flynn: Actually, I'd be interested in the reply to the question from Peter Tabuns.

Just going back to my own community, there were a couple of companies--Ashland, Elf Atochem, places like that--that came up with a Responsible Care program some years ago, which I thought was a good first step to try to engage the community in discussions. That program, as it's been designed and carried out with the community--is that entirely a risk-based program, or do you inject other ingredients into the development of those plans?

Mr. David Peters: We certainly inject other ingredients in there, but it is strongly risk-based. In fact, we're just revamping Responsible Care after almost 25 years with the existing one to actually have it encompass sustainability. One of the key things in there is to innovate for safer products and processes, and to make sure that we're minimizing or reducing risk. We're getting rid of risk where we can and making products that benefit society.

Mr. Kevin Daniel Flynn: I guess what I'm having a hard time understanding is why you would propose that the toxics reduction plan for the province be entirely risk-based, but your own Responsible Care program is risk-based plus other things.

Mr. David Peters: When we're talking about responsible care, we want to make sure we're safe in the communities where we operate, which means going out to our stakeholders and identifying who they are. One of the key things we do is a worst-case scenario: What's the worst thing that could credibly happen at our plant? Then we try and model how far that would go out into the community. That's where we would go and talk to the people. If it was in Sarnia, we would talk to people within that neighbourhood to make sure they had an understanding of what to do and how they would be communicated with if something did go wrong at that facility. It could be things like to shelter in place, or it could be to evacuate. We work with the local emergency responders. There is an element of risk to that, for sure, and there are some things beyond risk.

Mr. Kevin Daniel Flynn: If you wanted to take a few seconds to answer Mr. Tabuns's question, you could use your time to.

Interjection: Talk about ethanol.

Mr. David Peters: Ethanol is one of the ones on the proposed list. Aluminum is as well. I mentioned something about aluminum, but the auto industry is looking at aluminum as one of the solutions for improving fuel efficiency.

There's a risk in everything, and we have to be good, as a society, at managing risk. We talk about risk when we get on an airplane. We talk about risk when we go in a car. The chemical industry brings you some of the

things that allow us to be good at those things. So there's risk at every stage along our life. We happily get in a car with somebody--maybe not anymore--who's had a couple too many to drink and drive off home. That's something that's happened a lot in society. Is that the smartest thing to do? No, it's not, but it's understanding these things--and we're getting better at that with driving--and all that kind of stuff.

The Chair (Mr. David Oraziotti): Thank you. That's time. Mr. Barrett.

Mr. Toby Barrett: Yes, maybe just further, using examples like ethanol and aluminum, I think for government and all concerned to not waste scarce resources working on substances like that when there is a number of other substances that can be identified as truly toxic and downright dangerous.

Would this legislation or the regulation--is it possible to fix it to the point where it would have more of a credible risk assessment approach? If it doesn't, just how many substances are we going to be spending our time documenting? You mentioned two, but how many others are there?

Mr. Norm Huebel: I think if you look at the proposed redraft we have included as part of the package, you'll see that we feel you can really fix it. I think the details are in there. We'd be happy to talk about it outside of the time allotted here.

Mr. Toby Barrett: Okay, so through the legislation. Does this bill, this proposed legislation, have any risk assessment approach at all, or is it purely precautionary or whatever the term is?

Mr. Norm Huebel: It's not risk-based.

Mr. Toby Barrett: Not risk-based.

Mr. Norm Huebel: No, it's hazard-based, and I think that's the thing we're having problems with. We're saying that really at the end of the day you should have something that is related to risk.

Mr. Toby Barrett: Okay. Thank you.

The Chair (Mr. David Oraziotti): Thank you for your presentation this afternoon.

MIRIAM DIAMOND

The Chair (Mr. David Oraziotti): Our next presentation, the University of Toronto. Good afternoon. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation, five for questions, and you can start by stating your name. You can begin your presentation.

Dr. Miriam Diamond: My name is Miriam Diamond. I'm from the University of Toronto. I hope to take less than 10 minutes and open up more room for discussion. I've distributed some copies of my statement and I'm really actually very interested in following Mr. Huebel and the comments that he's made. What I'm going to do is go through what I've written, but I'm just going to touch on the highlights, because it's probably pretty boring for you to hear all sorts of written statements all afternoon.

I was the co-chair of the Ontario toxics reduction scientific expert panel, along with University of Ottawa Professor Lynda Collins, who has seen my statement.

First of all, I'm really excited about this legislation being introduced into the Legislature. A lot of work has gone into it, a lot of deliberation, so I'm very excited about it. What's special about the TUR is that it focuses on upstream pollution prevention. Most other legislation in Ontario focuses on downstream, or sort of end of pipe. Let's stop the emissions. The whole thing about pollution prevention is getting ahead of the curve and saying, "You know what? Should we be using this compound? What happens if we do have an accidental release? What happens if the compound migrates out of the material or product over time?" For example, you know those vinyl binders that you probably had as a kid and how they crack around the edges? Can you relate to the vinyl binders that you had? That means that the phthalates are leaving; they're degassing from your vinyl binder. The phthalate is a plasticizer added to increase the flexibility.

Long-term migration now: I happen to be involved in a project right now that is looking at the relationship that's been found between phthalates occurring in dust in your homes and the occurrence of asthma. Who would have figured that one? It's epidemiological study. Anyway, what this is aimed at is looking at toxic substances: What about manufacturing and processing this substance before it gets to the plant gate where it's used? What about accidental releases during manufacturing? What about those releases during the life cycle of the product, and what happens to the product once it goes to landfill or is dumped somewhere? So we've got to get ahead of the curve.

The other reason we want to do this--I'm a professor; I'm talking too long already--is because it's expensive for industry to have to deal with waste. That's the end-of-pipe solution: Capture it and deal with it. Why not just use resources really efficiently at the get-go so you don't have all sorts of waste management issues, particularly hazardous waste, which is really expensive to deal with? Doesn't CEPA do this? Why should Ontario have its own bill? CEPA does have wide-ranging powers, and a lot of us were very excited when CEPA was introduced, including the power to ask industry to do pollution prevention planning. The fact of the matter is that it hasn't been used in that capacity. In fact, its pollution prevention and risk management measures have been on the weak side. I've provided a reference for you because this isn't just me talking. Being a professor, I did my homework; I got you the reference. I do have to get you the reference, though. Right now it's unpublished, but it will be published under the International Joint Commission, on which I sit. So CEPA doesn't do the trick.

There's a lot of discussion about the lists and schedules, and I'm going to talk about Norm's comment that it's not a risk-based process. First of all, we avoided defining "toxic." In terms of legislation, it's a political definition. There's no such thing as a scientific definition of "toxic," because of the scientific complexities and

because the science is constantly moving. Ten years ago, who would have thought that a substance could be an endocrine disruptor? Who would have thought that it's possible that phthalates could be involved with asthma, acting through the immune system? It's very difficult to set in stone, in fact I really think it should be avoided to set in stone, what is meant by "toxic." Hence, the bill uses it by reference. So, for example, what is deemed CEPA toxic, or what California Prop 65 deems as toxic? What is a carcinogen which is defined using IARC--the International Agency for Research on Cancer?

1520

Why did we develop our own schedules? Why did we use our own list? Why didn't we just use CEPA? Well, first of all we did rely on CEPA. In fact, we relied on it for screening. We used the CEPA screens--the screens for persistence, bioaccumulation and inherent toxicity both to humans and aquatic substances. We did use that. We found that very few substances have been deemed toxic under CEPA, but a whole lot have been characterized as being of medium or--I have to check my notes--high concern. But they haven't been sort of dealt with in the process yet. So we thought, "Okay, let's look at those. Let's see which are pertinent to Ontario and let's put them into the list if they are pertinent." Okay, that's good. And then we thought, "Okay, to minimize the burden on industry, let's use the National Pollutant Release Inventory, NPRI, because industry is already reporting on that. So we minimize the effort for industry because we harmonize with the feds on NPRI. That's indeed what's under schedules 1 and 2. That minimizes duplication. I've got some language there about NPRI: NPRI is deemed as toxics and went through a very large vetting process for those compounds to be put on NPRI. We didn't redo the science on that one.

Our process: I will stand up here and say that it was a scientifically defensible process that dealt with risk, which is the probability of a hazardous occurrence, which, as Norm said, blends hazard and exposure and hazard which is the inherent toxicity of a substance. We use both. Let me see; am I getting ahead of myself? So we reviewed the list from a whole bunch of jurisdictions. We looked at CEPA and the CMP stuff. We looked at what was going on in the Netherlands, California, IARC, and I mentioned California Prop 65. We evaluated those chemicals, using the CMP chemical management screens for P, B, iT. We also used information on the use of the substance in Ontario, and that's where the hazard approach comes in. We used the same type of approach used federally, under CMP, because that's the risk: "Do we use it?" "Is it in the environment?" We used that, and we used expert judgment, because just relying on a computer screen to spit out numbers is not an intelligent thing to do. We're aware of the scientific flaws of using a simple screen. Every listing process at some point relies on expert judgment. Why else would we be expert? We were the ones that devised the screens.

We used both a risk and a hazard-based approach, as I said. The reason why we used a hybrid--Norm is right:

You want to use risk because it prioritizes where to put your effort. There are an awful lot of chemicals out there. You cannot rely singly on hazard. That's where the use in Ontario comes in, in the thresholds.

What about hazard? We said, "It's not good enough just to rely on risk because, in fact, the information on use in Ontario"--well, it's not a lot of information, let's put it that way, and history tells us that when you just rely on risk, you can miss the boat. We've been doing work on flame retardants, which had a doubling time in women's breast milk of two to five years, in the Great Lakes, and nobody really knew where the exposure was coming from. It would not have been picked up under the CEPA process, because at that point in time we didn't know that dust was the main exposure, so the process wouldn't have figured it out. That's why you need the scientific expertise and that's why you do have to include the element of hazard.

The Chair (Mr. David Oraziotti): Thank you. That's--

Dr. Miriam Diamond: Good. Questions?

The Chair (Mr. David Oraziotti): Mr. Flynn, go ahead.

Mr. Kevin Daniel Flynn: I'd be happy to just use our time if you wanted to continue. You got kind of cut off there. Did you want to wrap up? Or, I did have a specific question.

Dr. Miriam Diamond: No, I'm good. If folks want to ask me questions--I'm sorry. My professorialness got out of hand. I apologize.

Mr. Kevin Daniel Flynn: No problem. Maybe you can explain exactly how you came up with the lists themselves, the process you used, because obviously some are criticizing them as too soft and some are criticizing them as too firm. How did you arrive at the list that you're proposing or that you're advising the minister that we adopt?

Dr. Miriam Diamond: First, NPRI. Second, we looked at other lists. We used the CMP process to adjudicate; then we went through each chemical to see if it was used in Ontario. We assessed the persistence, bioaccumulative properties and toxicity of every chemical. We did that, using a subcommittee of scientists.

Mr. Kevin Daniel Flynn: Thank you.

The Chair (Mr. David Oraziotti): Mr. Bailey?

Mr. Robert Bailey: Thank you for your presentation. One of the questions I wanted to ask was: On the committee that came up with this and advised the minister, were there any of the chemical producers or industrial users downstream who were able to take part in the study?

Dr. Miriam Diamond: Yes. First of all, it wasn't a study. We had a consultation panel, and they did take part, because they supplied their comments through the EBR, the environmental registry. Sorry, there are too many acronyms in my brain. Moreover, there were consultations that were held by the ministry. Finally, I participated in a couple of meetings in which I met folks, and I've also talked offline.

Mr. Robert Bailey: Okay. Do I have a little more time?

The Chair (Mr. David Orazietti): You do. Go ahead.

Mr. Robert Bailey: So they actually were on the committee and had voting, to make the recommendations, or--

Dr. Miriam Diamond: They were not on the committee, but I mentioned the opportunities, and you'll find in my written submission my comments to facilitate innovation and the uptake of TUR to be most effective for the Ontario economy.

The Chair (Mr. David Orazietti): Thank you.

Mr. Robert Bailey: I was only going to make one comment.

The Chair (Mr. David Orazietti): Go ahead.

Mr. Robert Bailey: You quoted California, and they're always pointed at as--

Dr. Miriam Diamond: I didn't quote, but I mentioned them, yes.

Mr. Robert Bailey: They're bankrupt--a \$25-billion deficit.

Dr. Miriam Diamond: But that's not because of their carcinogens.

Mr. Robert Bailey: I don't know what it's because of.

The Chair (Mr. David Orazietti): I think that's time, Mr. Bailey. Mr. Tabuns, go ahead.

Mr. Peter Tabuns: Miriam, thanks for the presentation. One of the questions we've dealt with is this whole question of mandatory substitution, something that I think your expert panel recommended. Can you tell us--

Dr. Miriam Diamond: We didn't recommend it.

Mr. Peter Tabuns: You did not?

Dr. Miriam Diamond: No, and you know what? Norm outlined why: because there are some substances that cannot be substituted, and it's industry that has to make those decisions, not government. It requires an intelligent approach to figuring out: Are there alternatives? Can we use them? Can we develop them? Sometimes there aren't, and I've got an example. Do you have mercury fillings or fillings with bisphenol A?

Interjection.

The Chair (Mr. David Orazietti): Thank you very much for your presentation.

Dr. Miriam Diamond: I have mercury fillings by the way. I thought I had two more minutes. I was watching the clock.

The Chair (Mr. David Orazietti): It's 10 minutes and questions from members, and there are no other questions.

Dr. Miriam Diamond: Are there no other questions? Okay. Thank you.

The Chair (Mr. David Orazietti): Thank you very much.

POLLUTION PROBE

The Chair (Mr. David Orazietti): The next presentation is Pollution Probe. Good afternoon. Welcome to the Standing Committee on General Government. You

have 10 minutes for your presentation. You can state your name and get started.

Ms. Julie Sommerfreund: Okay. Good afternoon. Thank you for having me here today. My name is Julie Sommerfreund. I am the toxics project manager at Pollution Probe.

To begin, we just want to say that Pollution Probe supports the Ontario government's commitment to protecting the health and environment of Ontarians through the management of chemicals. However, we feel that the proposed act is an important piece of legislation, but it can be strengthened. In my talk today I will outline for you our recommendations for strengthening the act and then provide you with some insights from my experiences at the European Nickel Industry Association, where I contributed to their implementation of REACH, Europe's new approach to chemicals management. It's an innovative policy that is being hailed as a world leading standard.

1530

Our first two recommendations support those presented by some of our NGO colleagues at the first meeting on May 13. We recommend that the Ontario government require renewable targets for toxics use reduction. As you've heard before, these are necessary to encourage all sectors--industry, government and NGOs--to continue the move toward the reduction of toxics use and release into our environment.

Further, we recommend a fee structure to enable a fund and an institute to facilitate the implementation of the act to support industry in developing meaningful toxics use reduction plans.

In addition to these recommendations, we would like to bring your attention to the lack of clarity in the act. As you've heard, the act falls silent on defining toxic substances, what requirements are required of the minister for substances of concern, and what is meant by the creation of the substance, whether it is for a by-product or production as a value substance for sale on the market. We recommend that these definitions be clarified to ensure successful interpretation of the act.

In particular, in regard to defining toxic substances, we have now heard an articulation of the methods that were used. However, we would recommend that the methodology be more public and transparent. Further, we recommend that if an alternative is suggested for the substitute of one of these substances, it also be evaluated against these criteria.

In terms of substances of concern, we recommend that specific action be required of the minister following the first collection of data. Possible action could include the addition of the substance to the list of toxic substances, the removal from the list of substances of concern or the development of an alternative strategy within a fixed time frame.

Further, we propose an integrated accompanying monitoring and reporting program to monitor the success of the act in achieving its purpose in improving the health and environment of Ontarians. The integrated program

should extend beyond that of tracking the releases and uses of toxic substances to also include environmental concentrations in air, water, soil and in our Ontario population, for example, through biomonitoring. The accompanying documentation suggests that the act will be limited to large facilities and limited sectors, although this will limit the application and not include smaller facilities and non-point sources. Although the individual contribution at these sources might be small, the total contribution could be large. Therefore it is important to track both the environmental concentration of these substances and that in Ontarians.

Now I'd like to take a few minutes to provide you with some examples from the REACH experience in Europe and how this approach supports what we're doing here in Ontario and encourages us to go further. As you may know, REACH came into force in June 2007, and as its implementation continues, it is having worldwide influence on chemicals management. Interestingly, the objectives of REACH are very similar to what we are trying to achieve here in Ontario. They seek to improve the protection of the environmental and human health through the management of chemicals and encourage the economy and development of green alternatives. In order to achieve these objectives, the EU has incorporated some novel principles in the way people are thinking about chemicals management.

First off, they require that industry demonstrate the safety of its substances, both the producers and importers, prior to accessing the European market: essentially, no data, no market. Further, it extends the responsibility beyond the facility to include all downstream users: their customers and life-cycle stages of the substance. Further, it extends to both new and existing substances alike in order to encourage the development and enhance the competitiveness of the EU industry. Prior to this, the requirements for existing substances were substantially lower than those of new substances and as a result they did not see innovation in new substances.

As I mentioned, these impacts are being felt, and will likely continue to be felt, around the world as the responsibilities fall to importers, and subsequently the exporters of non-EU countries, of these products and substances into the EU market. Governments around the world are now considering implementing this type of legislation in their jurisdictions to support the developments of their industries in order to access this very important market.

Now I'd like to take a bit of your time to bring your attention to the many elements of REACH that we can learn from. First, in order to ensure the success of the legislation, the EU, similar to Massachusetts, developed an agency to oversee the implementation of the act. This continues to be supported by the registration fees paid by industry.

The second learning lesson that I'd like to bring to your attention is how REACH deals with substitution. In fact, it incorporates both a hazard- and risk-based approach. Authorities nominate substances of very high

concern, based on hazard criteria, for what is known as the authorization list. Substances will be prohibited from use after an agreed-upon sunset date. However, the risk-based approach comes when the industry has the opportunity to request an authorization for a particular use of the substance. An authorization can only be granted in two scenarios. One is the demonstration of adequate control, through a risk assessment; note, however, that this does not apply to those substances without threshold, or safe, levels of exposure. The second option is to demonstrate that the socio-economic benefits outweigh the risks posed by the substances, in addition to demonstrating that there are no suitable alternatives available. What this means is that industry now must do a full assessment of the substitutes available, justify why they are not appropriate, and if they are appropriate, develop a plan to substitute away from the more hazardous substances of very high concern.

There are four main elements that will contribute to the success of this approach, and I think they can teach us a lot about what we could do here in Ontario. First, there is a clear, transparent methodology for substances' inclusion in and removal from the list. There is opportunity for public and all stakeholders to comment on these proposals and to submit information on available alternatives. Further, once a decision is made, full public disclosure of the rationale for that decision is required. Finally, all authorizations will only be on a time-limited basis and require review after a certain time limit, which is set case by case.

The combination of these elements encourages industry to identify alternatives. They are able to identify substances for which alternatives are necessary. Further, they know the timeline, as they have a certain sunset date and they have a review period for the particular authorizations for a particular use.

Further, this process will be protective of the environment and human health, as all stakeholders can comment on the generation of the list and evaluate against known criteria.

Finally, the establishment of a process such as this provides industry with the certainty and predictability of the requirements.

To summarize, Pollution Probe supports the Ontario government's commitment to the management of chemicals in order to improve the environment and human health of Ontarians. We have identified some areas where this act could be improved, including things like the addition of renewable targets, the development of fee structures to support the implementation, as well as increased clarity in the act and an integrated monitoring program.

In closing, jurisdictions around the world are taking action on chemicals management. We are very pleased that Ontario is taking steps to raise the standard in Ontario. This approach will further our understanding of the chemical mixtures in our communities and encourage companies to identify how to best improve the current situation.

It is important, as we consider this act, that we look to enable Ontario's important industries to enhance their competitiveness on the world market. The increasingly stringent environmental policies around the world are increasing the demand for safer alternatives. We believe that the Toxics Reduction Act, at a minimum, should meet these standards in order to encourage our industries to play on that market and contribute to the innovation and development of the green economy.

Thank you for your attention, and I'd be happy to take any questions.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Bailey, you're up first.

Mr. Robert Bailey: You heard the presentations of some of the other presenters. Where do you feel that CEPA--is it part of this act? Do you feel that they would contribute in any way, or do you feel that we have to move ahead separately, here in Ontario?

Ms. Julie Sommerfreund: I'd like to take a moment to explain two things about CEPA. First, the definition of toxics within CEPA: There is "inherently toxic" and "CEPA-toxic." These are two distinct things. "CEPA-toxic" is a term that has been designated politically in Canada to deal with hazard and exposure. "Inherently toxic" is more of a hazard criteria, and that's what we're dealing with today in the Toxics Reduction Act.

Further, the CMP process that is currently undergoing, the chemicals management plan, is a slow, arduous process that's going chemical by chemical. Currently, we know actions for the 100 priority substances. However, no management actions have been taken yet.

Given the complex mixture of substances in our environment, I think that it is likely to be more appropriate and prudent to take a precautionary approach and deal with what we know right now, and take action in Ontario.

The Chair (Mr. David Oraziotti): Thank you. Mr. Tabuns.

1540

Mr. Peter Tabuns: Thanks for the presentation today. Your recommendations--the reduction targets. Can you talk about the necessity to have targets in this legislation?

Ms. Julie Sommerfreund: We believe at Pollution Probe and I think in most environmental policies that the importance of targets is to set a goal, to start moving toward something. Without a goal, we aren't motivated. I think that's true in everyday life and it's true in environmental policy.

The Chair (Mr. David Oraziotti): Mr. Flynn.

Mr. Kevin Daniel Flynn: Thank you, Julie, for your presentation. Speaking about substances of concern and the tracking of those substances of concern and the reality that we live in a changing world, how often do you think that the government should require companies to report on substances of concern as they change, as they evolve?

Ms. Julie Sommerfreund: I believe that since we have very limited information currently on the substances

of concern, a high frequency of reporting would be essential to identify where to move forward in the future.

Mr. Kevin Daniel Flynn: Also, some people from industry are coming forward and saying, "You know what? This is all done at the federal level anyway. Why don't you just leave us alone?" What would you think of that viewpoint?

Ms. Julie Sommerfreund: In terms of the risk assessments that are currently done at the federal level, they're being completed on what information is currently available. We know that there are 23,000 legacy substances on the market that were not required to develop significant environmental and human health criteria data when they first came on the market. So yes, the federal process is slowly moving along, but we have huge data gaps, and I think a precautionary approach would help us to ensure that we don't wait until 10 or 20 years from now to find out what the information says.

Mr. Kevin Daniel Flynn: Thank you.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation today.

Ms. Julie Sommerfreund: Thank you.

AUTOMOTIVE PARTS MANUFACTURERS' ASSOCIATION

The Chair (Mr. David Oraziotti): Our next presentation is the Automotive Parts Manufacturers' Association. Good afternoon, and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions from members. You can state your name for the purposes of our recording Hansard and then you can start.

Mr. Peter Corbyn: My name is Peter Corbyn, from the Automotive Parts Manufacturers' Association. Thank you for the opportunity to share our thoughts regarding the Toxics Reduction Act today.

APMA is Canada's national association representing original equipment automotive suppliers. APMA's members account for approximately 90% of Canada's \$24.3-billion industry--that was last year--with 80,000 employees; again, that was last year too. APMA's fundamental objective is to promote and support the automotive original equipment supply industry both domestically and internationally. APMA members, such as Magna and Woodbridge Foam, represent a broad range of manufacturing processes, including plastics, metal stamping and finishing, and tool and die.

As you know, this industry is experiencing its most trying economic times in decades. Thousands of people have already lost their jobs, and the risk of more losses is high. That said, automotive sales will rebound in the next one to three years, and thanks to the recent changes announced by the Obama administration, new vehicles will be becoming increasingly more fuel-efficient sooner than later.

Typically, over two million vehicles per year are built in Ontario, and thousands of well-paying parts suppliers jobs are attached to those vehicles. Support for bringing

back jobs to this industry while helping our members reduce the use and release of toxic substances is the responsible and appropriate action for the province of Ontario to take at this time.

I would like to first share that we are supportive of an act that promotes the reduction of toxic substances. In fact, the APMA was one of the first industry associations to implement a pollution prevention strategy, in partnership with the Ministry of the Environment and Environment Canada, almost 15 years ago. In 1998 alone, APMA members voluntarily and publicly reported an aggregate reduction of over 1,100 tonnes of toxic substances.

However, as written, adherence to the act will be onerous for industry, not just from the perspective of what is required with respect to submitting a plan, but more importantly, execution of the plan.

To jog our memory, let me read selected excerpts from sections 4 to 7. They shall submit:

“4. A description of each process at the facility that uses or creates the toxic substance, including,

“i. a description of how, when, where and why the substance is used or created, and....

“C. show, as of the time the quantifications were made, how the substance entered the process, whether it was created, destroyed or transformed during the process, how it left the process and what happened to it after it left the process.

“5. A description and analysis of options that were considered for reducing the use and creation of the toxic substance at the facility, including an analysis of the feasibility of each option.

“6. A statement identifying the options described in paragraph 5 that will be implemented, or a statement that none of the options will be implemented.

“7. If an option described in paragraph 5 will be implemented,

“i. a description of the steps that will be taken by the owner or operator of the facility to implement the option,

“ii. a timetable for taking the steps described in subparagraph (i),

“iii. an estimate of the amount by which the use of the toxic substance at the facility will be reduced as a result of implementing the option, if the substance is used at the facility,

“iv. an estimate of the amount by which the creation of the toxic substance at the facility will be reduced as a result of implementing the option, if the substance is created at the facility, and

“v. an estimate of the amount by which discharges of the toxic substance to air, land or water will be reduced as a result of implementing the option, if the substance is discharged to air, land or water.” That’s right from the bill.

Completing this plan will be onerous, but more importantly, what value is it if a business’s plan is to do nothing because it cannot afford to, per section 6 of what I just read?

You will see in a minute why this act needs to be harmonized with the federal chemicals management plan and why a third party institute that works with industry and government to research and develop toxic reduction strategies and outreach needs to be established.

Let’s make an analogy to creating an energy-efficiency plan before moving forward. As you know, addressing climate change is a top priority today. People, business and government all have a role to play. Businesses’ plans on how to address climate change consist essentially of three strategies: implement low- or no-cost solutions, such as turning off motors and lights when not in use, which is very realistic and costs virtually nothing; install more efficient lighting, motors and controls at a cost, which these days is getting less realistic, unfortunately; and install renewable energy systems. In today’s environment, it’s not that realistic for them to do it themselves.

Toxic reduction, or pollution prevention plans, are similar: implement low or no-cost solutions, such as proper equipment maintenance--which is an option that will get you somewhere; install relatively inexpensive equipment or chemical substitutes to achieve some incremental improvements; and research and develop paradigm-shifting technologies and/or substances, either in-house or in partnership with vendors of said technologies and/or substances.

The reality is that inexpensive options in both cases will result in relatively small, incremental improvements, but in both cases--energy efficiency and pollution prevention--substantial financial and human resources are required to make a real difference.

The government of Ontario recognizes that this is the case with respect to energy generation with its Green Energy Act, which addresses the high cost issue by ensuring that the economics work for suppliers of green energy. This is an innovative approach for jurisdictions in North America. We ask that the government apply the same efficient and innovative approach towards reducing the use of toxic substances. The question is, how?

First of all, not harmonizing with the federal chemicals management plan will certainly add substantial cost to administering the Toxics Reduction Act. That has been well documented by other groups that have submitted input on this act. In a time of substantial deficits and the opportunity to harmonize, doesn’t it make sense for Ontario taxpayers’ money to be more wisely spent on working with industry towards researching, developing and implementing toxic reduction strategies than policing the submission of plans? What good is a plan if it cannot be executed?

Organizations such as the APMA and OCETA--which I believe you heard from earlier; the Ontario Centre for Environmental Technology Advancement--have demonstrated for years that a co-operative approach towards pollution prevention gets results. As stated earlier, APMA members, in partnership with the MOE and Environment Canada, successfully eliminated over 1,100 tonnes of toxic substances. That was over 10 years ago.

1550

More recently, OCETA, through its Toronto region sustainability program--which received funding from the MOE, amongst others--has helped manufacturers eliminate over 1,700 tonnes of VOCs, particulates, metals, toxics and other wastes.

Imagine the positive impact on toxics reduction if programs like these were scaled to include all sectors and geography. Ontario could become an innovative world leader with tools such as creating an institute to quarter-back information sharing and drive R and D in partnership with industry; sharing solutions and case studies in a Web 2.0 environment, essentially accelerating the learning curve with an efficient and logical data collection process; and helping manufacturers go lean and green with environmental value-stream mapping.

Innovative, industry-friendly solutions like these will help position Ontario as open for business when it comes to partnerships to address environmental issues, help create and build a thriving green technology sector, and help Ontario industry become more competitive globally, especially when it comes to greener products.

Manufacturing needs to be an integral part of Ontario's economy; it cannot be driven away. Anecdotally, one of our members said that their toxics reduction plan may well include moving production to Michigan. Helping them achieve toxics reduction results would likely keep them here.

One-hundred-mile-per-gallon vehicles, the smart grid and zero-environmental-impact buildings of the future don't just happen; they have to be manufactured and maintained by skilled and creative people. If we don't manufacture those green technologies in Ontario for tomorrow's environment and economy, other jurisdictions will. The provincial government needs to work with industry to reduce toxic substances with carrots and sticks, not just sticks. Innovation and public-private sector co-operation is the most important support and tool that will help Ontario become a cleaner and greener province in the coming decades. Please consider this as you further deliberate this act.

The Chair (Mr. David Orazietti): Thank you very much. Mr. Tabuns, you're first.

Mr. Peter Tabuns: First of all, thank you. It was a good presentation. It's useful. I think that your point on making sure there's an institute that can work with industry to reshape its products is a critical one. Massachusetts obviously does that, and they do it very effectively. Are you aware of any other jurisdictions that are doing this and having the kind of impact we want to see in Ontario?

Mr. Peter Corbyn: To be honest, other than Massachusetts, no, but I can visualize what that institute would look like.

Mr. Peter Tabuns: Do you want to sketch it out?

Mr. Peter Corbyn: Here's a blueprint for an institute right now.

Mr. Peter Tabuns: I know; you don't get two hours to do it, but--

Mr. Peter Corbyn: If you look at it from a priorities perspective, if you look at the substances and essentially do a Pareto analysis and look at your target substances--to establish a centre that will work together and basically help fund R and D, there are questions there with respect to trade secrets and such. That said, I think that if you look at the list of substances, you'll find that a lot of them aren't necessarily ones that should be an issue from that respect. I also think that having an institute like this, where you've got NGOs and industry and government and scientists working together to focus on specific substances, really will make a difference. The reason why I think it's really important is this: When I look at this, my interpretation of the act at this point in time is that you are asking people to make plans based on stuff they don't really know how to achieve yet.

I did not include it in here, but again, the reason I made the analogy to climate change is, as you know, a lot of work has been put into determining the cost-per-tonne reduction of greenhouse gas emissions. I'm sure you're all familiar with the McKinsey curve for greenhouse-gas-emission reduction, right? You really need to do the same thing here. It's one thing to say globally, "We're going to reduce our emissions by 50%." You can't do that until you know what it takes to get there. The other reality is, how far down can you go with any particular substance? Maybe you can go 100% with one and only 5% with another and that's progress. So you don't know that yet.

The Chair (Mr. David Orazietti): Thank you. That's time. Mr. Flynn?

Mr. Peter Tabuns: Thank you.

Mr. Kevin Daniel Flynn: Thank you for your presentation today. You use OCETA quite frequently throughout your presentation. They presented before you today, I don't know if you were in the room for their presentation--

Mr. Peter Corbyn: No, I was not.

Mr. Kevin Daniel Flynn: They were fairly complimentary to the bill, thought it was going in the right direction, and gave some examples of where they've been able to achieve significant cost reductions with fairly minimal investments. You seem to take a different tack on this. I guess I was wondering why. What further support do you think business needs in order to make progress in reducing toxics? We've heard from the cancer society, we've heard from the registered nurses association all weekend long, suggesting that we're not going far enough. To be honest, your presentation surprised me, and I just wondered if you wanted to expand on it a little.

Mr. Peter Corbyn: Surprised you in what respect?

Mr. Kevin Daniel Flynn: This seems to be something that I thought an organization such as yours would see the opportunities in. Rather, your presentation, in my opinion, seemed to focus on the hurdles.

Mr. Peter Corbyn: There are always opportunities and hurdles, aren't there?

Mr. Kevin Daniel Flynn: Yes.

Mr. Peter Corbyn: If you look at the number of substances--you're absolutely right. To go back to your

question with respect to an institute, you're right, there is a lot of low-hanging fruit out there, but there is a lot that isn't low-hanging fruit. It's as simple as that.

Mr. Kevin Daniel Flynn: Okay, I'll accept that. Thank you.

The Chair (Mr. David Orazietti): Mr. Bailey?

Mr. Robert Bailey: Thank you, Mr. Corbyn, for your presentation.

First of all--two parts--the cost to implement the incremental changes that you had indicated in there that probably would be generated; and second, are any of the competitors that you and your industry would compete with, say in Europe or North America, doing anything like this now, and at what kind of a disadvantage, if it does, would that put your industry?

Mr. Peter Corbyn: As you know, in automotive parts, we represent a broad range of processes. We're not common by process; we're common by where our product ends up. So to speak specifically for automotive parts, it would be difficult to answer, because we represent plastics, foundries and metal stamping. It would depend on the process and on the jurisdiction which may be competing on that particular process.

Mr. Robert Bailey: Is that the answer about Europe or North America? Are there any other jurisdictions that are doing anything like this bill?

Mr. Peter Corbyn: Globally?

Mr. Robert Bailey: Yes.

Mr. Peter Corbyn: Off the top of my head, something close to this--I can't think of that off the top of my head, no.

The Chair (Mr. David Orazietti): That's the time for your presentation. Thank you very much for coming in.

CANADIAN PAINT AND COATINGS ASSOCIATION

The Chair (Mr. David Orazietti): Our next presentation, Canadian Paint and Coatings Association. Good afternoon and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. You can state your name and start when you're ready.

Mr. Jim Quick: My name is Jim Quick. I'm president of the Canadian Paint and Coatings Association.

Let me begin by saying that CPCA and our members support the responsible management of chemicals and have for decades. We've made a fundamental decision to be proactive with chemical management, as we are committed to the protection of the environment, enhancing human health and the quality of life through the responsible formulation, production and sale of high-quality, safe products.

CPCA contends that any new toxics reduction or chemical management strategy in Canada must be built on the proven, science-based approach for chemical assessment and risk management at the federal level. We believe that any provincial approach should align with what is already being done federally as well as with

existing voluntary initiatives in the marketplace, and should not create unnecessary regulatory or administrative burdens to industry.

We're very pleased to see initiatives establishing a framework for toxics reduction plans and the building of centres to promote green chemistries. We're also pleased that you considered to look at the focus on the development of expertise through universities, academia and other programs.

While we are supportive of the objectives of the bill, we would like to comment on four key areas of the legislation where we have concerns.

Firstly, the proposed bill gives the authority to the Minister of the Environment to ban or restrict the manufacture and sale of products, including those that may be deemed safe through scientific review by the federal government. Expanding or mandating administrative activity to products, with no scientific basis or transparency and with no health, safety or scientific rationale, would seriously undermine the Canadian regulatory system.

1600

We are concerned that provincial efforts to categorize "toxic" substances may differ from the science-based risk approach of the federal government, resulting in substances deemed safe at the federal level but deemed toxic in Ontario. In fact, there is a great deal of existing legislation and regulation in Canada--and I noted those in appendix A for you--that the paint and coatings industry meets or exceeds, and they are all aimed at delivering on the same environment or health and safety objectives. They provide consistency for the safe use of chemicals in products and, if required, they can be properly risk-managed, including removal from the marketplace. CPCA and member companies would suggest that additional provincial legislation would put the national regulatory framework at risk. It creates confusion and duplication in the marketplace, adds costs to an already economically stressed manufacturing sector and hurts Canadian competitiveness.

Our second concern is the need to include a rigorous, science-based approach for assessing chemicals. It is well established nationally and internationally that a scientific evaluation of chemical substances to determine the potential harm or danger takes both exposure and hazard into consideration. The definition for chemical substances in Canada to be called "toxic" takes into account the likelihood and the magnitude of releases into the environment and the harm it may cause to human health or ecosystems. If a substance is found to be CEPA-toxic, the federal government is bound to work with the provinces, territories, industry, non-governmental organizations and other interested parties to develop a management plan to reduce or eliminate the harmful effects that substance has on the environment and the health of Canadians. We would argue that this system and this process is working.

Ontario however, defines "toxic" as "anything that can cause harm," regardless of how much or how the sub-

stance is used. This proposed definition covers essentially every substance, natural or man-made. CPCA and our members recommend that Ontario harmonize its "toxic" definition with the CEPA definition and avoid legislation that may be at odds with the federally legislated definition of "toxic."

The proposed bill also requires collecting and reporting uses, even when the material is not emitted to the environment or present in finished products. There are no scientific criteria provided of how the list of substances was developed. Mr. Chairman, I believe we heard a presentation on that earlier; that was the first, as an industry representative, that I'd heard of those criteria.

Ontario should harmonize toxic lists with the CEPA schedule 1. This list is expected to grow substantially in the coming months and years through the CMP progress.

Our third concern is using the Canadian chemical management program as a starting point, and we would recommend that. The federal government's CMP is comprehensive, touching all chemicals in commerce. Through the CMP, all 23,000 existing substances in Canada are being systematically reviewed, and controlled as appropriate.

There has been full Canadian stakeholder engagement in the CMP process. The CMP draws extensively on national and international government, scientific, academic, non-governmental organization, and industry resources. CMP is held up internationally as a positive example of chemical management policy, and is considered a world-leading approach.

It is important that Ontario not create a different, parallel process. CPCA and our members urge the government of Ontario to work collaboratively and effectively with the federal CMP. It is a world-leading approach and should be the basis of any approach, if the province was to consider that.

Our fourth concern is avoiding a climate of regulatory and economic uncertainty in Ontario. It is important that businesses have confidence in the regulatory system so that they can build their industrial processors to ensure high levels of compliance. Although the proposed bill requires a detailed administrative reporting for Ontario-based manufacturing facilities, no specific results or actions are mandated, and these would be voluntary.

While some of these administrative requirements are already in place for sound management of chemicals, the proposed measures are a marked increase from current national NPRI reporting. New Ontario procedures would require accounting for materials used or consumed in productions and processes or in creating finished products, not just emissions and releases.

These activities will increase non-value-added costs for companies. These activities will also compromise confidentiality and drive reporting of out-of-context information for locally made products.

These procedures would also not recognize internationally accepted programs, such as our Coatings Care, which defines health, safety and environmental management best practices. It would also not recognize those

reductions already implemented over the years by many industries, such as our lower VOC targets, as well as reductions made over the years through implementation of long-term voluntary stewardship programs.

All regulations should take into consideration and respect the goals and objectives of other government initiatives, such as the Open for Business campaign, and budget commitments such as the 25% reduction in regulatory burden.

It is vital to Ontario's economy that we avoid placing undue burden on industry, especially when another government is already regulating. Legislative and regulatory costs are a significant burden to our industry and can create enormous uncertainty for companies. To compete in the highly competitive global arena, Ontario needs to build on the positive tax changes it recently announced in the budget by reforming its regulatory structures and processes so that we can achieve economic, environmental and health objectives.

In conclusion, any new toxics reduction or chemical management strategy in Canada must deliver improved health and safety outcomes versus existing regulation. It should not create unnecessary and counterproductive regulatory or administrative burdens. It must be well-founded in science and work in co-operation with the world-leading CMP, at a minimum, as a starting point. It must not increase the climate of uncertainty in Ontario and the burden on Ontario manufacturing. And there must be clear benefits to the protection of the environment and human health of Ontarians. Clearly, we do not believe that this bill achieves these objectives.

The Chair (Mr. David Orazietti): Thank you very much. We appreciate your presentation. Mr. Flynn, you're up first.

Mr. Kevin Daniel Flynn: Thank you very much for your presentation today and for your suggestions.

Earlier today, we heard from a number of people, but the one presentation that's stood out in my mind was one made by OCETA, by Fred Granek. It was interesting; he brought us three cases of places or of circumstances where, for a minor investment, toxics had been reduced substantially--very short payback periods and quite substantial amounts of money. Two of the three examples would be involving paint. I'm just wondering, why would somebody in the business world today not come up with these suggestions as a matter of course, as a matter of routine business? If I was president or the manager and I had employees who weren't coming forward with these ideas, I'd be quite upset. So I asked Mr. Granek why this just wasn't being done without government interfering at all. To paraphrase him, he said that there seemed to be a lack of will. I think he called it "inertia." Any comments on that?

Mr. Jim Quick: Sure. I can only speak for my own industry, but I can tell you right now that we've spent millions and millions of dollars over many decades in trying to produce products that are consumer and environmentally friendly. Our low VOC product is a perfect example. We've worked, particularly over the last five

years, from the first--well, I guess the initial VOC reduction was a 54% reduction on our own as a voluntary initiative. We're currently sitting down with the federal government and we're crafting a regulation that will see an additional 30% reduction in VOC regulations in Canada. So that will be an 84% reduction over the last, probably, 10 or 20 years.

We're not opposed to it. As a matter of fact, that's the direction that we're going in, and that's the direction we want to go in as an industry. The concern that you get is, as you're reformulating and you're getting to what people call greener product or greener chemistry, you always have to be careful of whether the product that you're actually manufacturing maintains its quality, its performance, and at a reasonable price point. Those are the primary issues that we have to sit down and talk about as an industry, saying, "How do we get to these other types of chemistry?"

Mr. Kevin Daniel Flynn: So the two examples that he cited today--I realize you don't have them in front of you, but they met all those criteria, obviously--

Mr. Jim Quick: Absolutely.

Mr. Kevin Daniel Flynn: --for the company, and you would think that they should be duplicated by other companies.

1610

Mr. Jim Quick: Absolutely. The other thing I would add on that is that we're taking a very unique approach to chemical management with the federal government. We're taking a sector approach. So, as each batch comes out, we sit with the federal government, we identify what products are paint-specific products and we go through a whole regime with them, including things like substitutions: What are the substitutions, how much do they cost, what would it mean for the end product, and would the end product still have the efficacy that it was planned to have in the very beginning? So we're taking a very unique approach to chemical management, one that we think is working and one that we would offer here in Ontario.

The Chair (Mr. David Orazietti): Thank you. Mr. Barrett.

Mr. Toby Barrett: Thank you, Mr. Quick. You outline four areas of concern. On page 2 you start off on your first area. I'll just quote: "The proposed bill gives the authority to the Minister of the Environment to ban or restrict the manufacture and sale of product, including those that may be deemed safe...." I actually thought that this legislation was just about requiring a plan to be submitted, requiring paperwork, and everything else was voluntary. But is your interpretation of this legislation that this is about banning products?

Mr. Jim Quick: I think the way we're interpreting it is that under the way we read the act, the minister would have that authority that he could take on those kinds of measures. On substances that the federal government would deem as being safe in the marketplace, and then Ontario deeming that they're not, the concern for us there is that when we make paint, we make paint for the world.

We don't make it for Ontario or for California; we make it for the world. And that's a primary concern for us.

Mr. Toby Barrett: With this mandatory paperwork, this bill will give the government agents police powers. They can go into a facility without consent and without a warrant. Do you feel that they need those kinds of powers to find out why the paperwork didn't get sent in?

Mr. Jim Quick: First of all, we're not threatened at all by that kind of thing. That happens in other areas of our business now, where they come in and we're audited. One of the things that we find is that when you do come in and audit, it takes a tremendous amount of our resources to explain our business to you and to explain our internal processes to you. So when we make those kinds of comments, it's that when enforcement officials come into our facilities it's a tremendous amount of work. We don't mind them being there, but it's a tremendous amount of work for us to have them there.

Mr. Toby Barrett: Okay. Thanks.

The Chair (Mr. David Orazietti): Thank you. Mr. Tabuns.

Mr. Peter Tabuns: Thanks for coming down today and making a presentation. If you make paint for the world, then you're going to be shipping paint to the European Union, and their REACH chemicals process is much tougher than anything we've got here. Are you going to be meeting their standards?

Mr. Jim Quick: First, your comment on REACH in terms of it being tougher: I would argue that CMP is ahead of REACH in many, many ways. If you talk to my member companies, they would tell you that it's very expensive to be doing business in Europe at the moment because of REACH requirements; it's long, slow and expensive. Based on our experience, we would argue, and we have--we brought the paint world to Canada in March and we brought in Environment Canada and Health Canada to present CMP because we think CMP is a better alternative than REACH.

Mr. Peter Tabuns: Interestingly, the Canadian Commissioner of the Environment and Sustainable Development in 2008 talked about the federal government's management of one chemical, acrylonitrile. This was declared toxic under CEPA in 1999. The amount of emissions in Canada has tripled since 1999, and that was when it was found toxic. So you're telling me that they have an effective program when they declare something toxic and the amount of emissions in the environment has gone up three times? Is that effective?

Mr. Jim Quick: I'm not sure what the particular circumstances are around that substance. What I can tell you from our experience is that when we sit with health and environment in our sector approach, there is a thorough review of each of those paint substances: current emissions, amounts being sold in Canada, where the substitutions are; if there are no substitutions, what we think the timelines are for the substitutions. So we're very much focused on how we do the reductions that are being required by government.

Mr. Peter Tabuns: If in fact organizations do blood tests and find fire retardants in the bodies of children and

adults in this society, if the emissions of acrylonitrile into the environment, something declared toxic in 1999, have tripled, that says to me that we don't have an effective program at hand.

Mr. Jim Quick: I would assume that if that is the case, then Health Canada and Environment Canada have a risk-management strategy for that substance to reduce it.

Mr. Peter Tabuns: They declared it toxic. You would assume at that point that the legislative checks and balances and controls would kick in, and it has tripled. That says to me that you've got a program that doesn't work. Doesn't that say that to you?

Mr. Jim Quick: No; it would depend on what the risk-management strategy is.

Mr. Peter Tabuns: Three times more of a toxic substance in the environment is not an indication of something that's dealing with toxic pollution.

Mr. Jim Quick: The member cites one example. I think there are hundreds of other substances where we consistently see reduced emissions into the environment. On a lot of the substances that I mentioned earlier on in terms of VOCs and things like ethylene glycol that we use in our industry, we are seeing substantial reductions and not increases.

The Chair (Mr. David Orazietti): Thank you. That's time for the presentation. We appreciate your coming in this afternoon.

Mr. Jim Quick: You're welcome.

CANADIAN VEHICLE MANUFACTURERS' ASSOCIATION

The Chair (Mr. David Orazietti): Our next presentation is--we're going to move to the 4:45 presentation on the schedule and come back to the 4:30--Canadian Vehicle Manufacturers' Association.

Good afternoon. Welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. State your name for the purposes of our recording Hansard, and you can begin when you're ready.

Mr. Mark Nantais: Good afternoon. My name is Mark Nantais. I'm president of the Canadian Vehicle Manufacturers' Association. With me today is the vice-president of environmental and occupational health and safety for the Canadian Vehicle Manufacturers' Association.

For those of you who may not be aware, the submission that we're making today is on behalf of Chrysler, Ford and General Motors, as well as Toyota manufacturing and Honda manufacturing Canada. We're very pleased to be here to offer our comments as they relate to Bill 167 and to offer up for you some suggestions as to how we can actually improve the bill and find ways in which we can better achieve the objectives that the bill has set out for itself.

Let me begin by simply saying that these companies operate world-class, highly competitive, state-of-the-art

facilities, with continuous improvement being entrenched in their business philosophy, using mature, certified environmental management systems. They have proactively taken a broad range of steps to address environmental impacts and minimize or eliminate the use of toxic substances or other substances, emissions, energy consumption, water consumption as well as waste generation. Through their existing experience with environmental management systems and the National Pollutant Release Inventory, they have developed unsurpassed expertise in pollution prevention and planning programs.

The CVMA recognizes the Ontario government's desire to take action to promote reductions in the use and creation of toxic substances. However, the bill is focused on how substances are used in the manufacturing processes and not necessarily on environmental and human risk outcomes. In our view, Bill 167, as currently drafted, raises a number of serious concerns and actual barriers to effective implementation of toxics reduction planning and prevention.

Our comments today, as I said, are intended to actually make the bill more effective and efficient in terms of achieving its goals. There are essentially five areas that I wanted to address very quickly, if I may.

The first is providing a clear definition of "toxic" in the act. The act, under section 2, as currently drafted, does not contain a definition of or clear principles for the identification of toxic materials that are to be regulated. The section 2 definition indicates that "'toxic substance' means a substance prescribed by the regulations as a toxic substance" for the purposes of the act.

We believe that in order to achieve government's desire to reduce toxics, the act needs to provide clear and predictable principles for identifying the substances that are actually to be regulated. This issue can be addressed simply by providing a clear definition of the proposed act itself, like that described under the Canadian Environmental Protection Act, 1999. We have provided specific recommended changes to section 2 of the act in this regard, and these changes appear in the more detailed submission that we just circulated to all committee members.

Inclusion of a clear definition will provide certainty with respect to ensuring targeted action for substances of concern, provide greater certainty for industry, assist in the achievement of the government's goals, allow for much-needed consistency within the provincial and federal jurisdictional authorities and, lastly, ensure that the concept of risk is incorporated in the proposed act.

1620

Let me give you a simple example to illustrate why it is so important to have a clear definition of "toxic." Zinc is used in auto assembly operations and in parts and components manufacturing to prevent corrosion. Because of its anti-corrosion properties, alloyed zinc is an inherent element in sheet metal that helps maintain the integrity of structural components, fasteners and other miscellaneous sub-assembled vehicle components. The act, as it is currently drafted, implies that resources would have to be

expended to account for inventories of zinc in our facilities, even if it is already integrated into a part or component of the vehicle. The potential outcome could be to force manufacturers to develop mandated plans to reduce the amount of zinc in sheet metal. Aside from the significant resources and reporting relative to inventories of zinc alloyed in steel, this really illustrates the need for a clear definition of toxics to ensure that an appropriate focus is taken under the legislation. We could really be asking ourselves whether the intent of this legislation is to ensure vehicles are less safe and rust more quickly. I don't think that was the intention of the act at all.

Second: allow for one plant facility plan to address multiple toxic substances and the substances of concern, not one plan per substance. As it's currently drafted, we are concerned that the proposed legislation is unduly constraining and is not sufficiently flexible to promote effective toxic substance reduction planning. In fact, it may actually create barriers to effective implementation.

The proposed legislation would require companies to develop a toxics reduction plan for each substance reported to the NPRI. Based on our experiences with the NPRI, large assembly operations actually require months of preparation to comply with the required reporting. Hundreds of person-hours are spent in a given assembly plant to track and ultimately report 20 to 50 different NPRI compounds.

We submit that a more effective approach would be to encourage and support a company to strategically look at their facility's environmental impacts through a certified environmental management system, or EMS. Such an approach enables a facility to objectively evaluate the processes, identify those that are significant, create operational controls and set objectives and targets to reduce total impacts. Auto companies have used this approach with respect to the use and emissions of VOCs, demonstrating significant and continuous improvement year over year. This would be a much more effective and productive means of ensuring that the province's objectives are actually being met.

Rather than taking a prescriptive approach that will limit creativity, the legislation needs to provide for the option of one plan for a facility and enable prioritization of planning by allowing facilities to choose to address a manageable number of substances, perhaps three to five substances at one time, based on their knowledge and expertise of their manufacturing facility. The auto companies could not sufficiently manage a detailed planning exercise for the 20 to 50 substances reporting to the NPRI. Moreover, the requirement to develop a toxics reduction plan for substances with no emissions or very limited emissions certainly will not help the province achieve its toxics reduction objectives. It will, however, impose ineffective and costly paper-chase exercises.

We would ask that consideration be given, for example, to subsection 4(1), "Contents of plan," which, as I said, is unduly prescriptive and therefore constraining. We would suggest, in fact, that subsection 4(1) and paragraph 4 of subsection 4(1) should be modified. Again, we

have provided some recommended changes in our detailed submission. The changes we have suggested to section 4 would allow for one plan to address multiple substances. Changes would therefore also be required to section 9, regarding toxic substance accounting. Again, we've provided some revised wording for your consideration.

Other sections in the act would benefit from similar revisions, whereby the references to "each", "every" and "all" processes are also revised.

Third: provide equivalency with other certified environmental management systems, such as ISO 14001, without any changes to the EMS, and actually provide, again, powers to the ministry directors to recognize such plans under the act.

Through ISO 14001, our experience is to incorporate NPRI and toxic substance reduction planning into business planning. The legislation should promote integration of toxic substance reduction planning into operations by enabling incorporation of the plans into certified EMSs. We propose that the act include a provision that allows facilities with a certified EMS that includes objectives and targets to reduce pollutants or toxics reduction to be exempt from the detailed reporting requirements, as well as providing directors of the ministry that power to recognize other plans as being sufficient to satisfy the requirements of the act.

While section 44, "Document prepared for another purpose," recognizes documents prepared for other government purposes, this does not allow flexibility in use and integration into existing systems. We provided some additional wording there.

The last two items are providing for some of the same exemptions as those afforded in the NPRI. That's very appropriate in terms of the NPRI system and reporting systems that are in place at the manufacturing facilities. The last one is an exemption of vehicles from the consumer products provisions in the act, as they are already covered under federal legislation; that is, the Motor Vehicle Safety Act and the Canadian Environmental Protection Act.

Those are essentially the five key points that I wanted to address. We'd certainly be open to questions, but we do believe that these recommended changes will actually make the bill more effective and make it a more successful bill in terms of achieving Ontario's environmental objectives in this instance.

The Vice-Chair (Mr. Jim Brownell): Thank you. You're right on time. We have about a minute and a half from each party. Mr. Barrett, you're first.

Mr. Toby Barrett: You used the example of zinc. I imagine that a steel mill, or steel sheet metal fabricating, would have to report zinc, and then the auto assembly would have to report zinc. Does this go on anywhere else? Does Michigan have to do this? Does a steel mill in Indiana have to do this? Is this done anywhere else?

Mr. Mark Nantais: What we find is that the jurisdictions they've actually looked to to help structure and develop this plan are jurisdictions which essentially no

longer have vehicle assembly or manufacturing. So in many respects, they've turned to jurisdictions that are no longer competing jurisdictions, and basically they're out of date with what's actually going on in the industry.

Mr. Toby Barrett: You make it very clear that you're already covered by federal legislation, that this would be duplication. I think of other automotive countries--I don't know, Brazil. Are there states in Brazil that require identical regulation to this, identical to the federal legislation in the country of Brazil? Does this happen elsewhere in the world?

The Vice-Chair (Mr. Jim Brownell): A very quick answer--15 seconds.

Mr. Mark Nantais: I'm not aware of the Brazilian situation, but there are, for instance, emissions standards and whatnot that exist in virtually all major jurisdictions around the world.

Mr. Toby Barrett: But at different levels of government?

Mr. Mark Nantais: No; generally one national standard.

The Vice-Chair (Mr. Jim Brownell): Thank you. We'll move on to Mr. Tabuns.

Mr. Peter Tabuns: Mark, thanks very much for the presentation today. A fellow was here earlier today from the auto parts manufacturers--he's still sitting at the back--talking about the need for assistance through a toxics reduction institute that could work with manufacturers to reduce their use of toxic chemicals or achieve substitutions. Would your association see that as useful? And if so, in what way?

Mr. Mark Nantais: I think something like that could be useful for small and medium-sized enterprises. In our industry, the CVMA was actually the first, as a sector, to sign up to a pollution prevention program, dating back to 1992, which was probably the most successful toxics--and other environmental contaminants of concern--reduction program, where we essentially eliminated or reduced 440,000 tonnes of the designated substances. Part of our program, to be very quick, included linkages to the Canadian Centre for Pollution Prevention, which in many instances provided the basis for small and medium enterprises to look to actual case studies where we've removed environmental contaminants of concern from our processes or our products, because it was one which went right up the value chain, if you will, through the actual materials and our parts suppliers. So I can see a resource like that being useful to organizations that may not be that sophisticated, that may not have the resources available to them.

The Vice-Chair (Mr. Jim Brownell): Thank you. That brings an end. Mr. Flynn?

Mr. Kevin Daniel Flynn: Thank you, Mark, for your presentation today. As you know--I wouldn't be telling you anything you don't know--there's tremendous public support for the reduce of toxins in our environment today in society. It's got strong support from the Canadian Cancer Society, from the Registered Nurses' Association

of Ontario, so I appreciate the constructive tone you've brought today.

I should know this, and I don't: Where do you think Ontario's auto manufacturing would rank compared to the rest of the world as far as pollution, emissions and toxics use today?

1630

Mr. Mark Nantais: A very good question. I'm not sure I can be all that precise, but I think it would be safe to say that the Canadian automotive industry is probably among the highest in any jurisdiction in the world in terms of all its programs.

Mr. Kevin Daniel Flynn: Your point, if I could take one thing away from your presentation today, is that you agree with the end gain, but you think there are improvements we can make to the process to reach it.

Mr. Mark Nantais: Yes. We think there are improvements to make in terms of both the efficiency, as to how we carry it out internally as part of our business operations--there are better ways to actually get to where we need to be. We've got some good ideas, I think. A lot of industries have some good ideas. I think you'll find that all major manufacturing supports the bill, but we need to support it in a way that's going to ensure that we remain competitive relative to our jurisdictions at a time when we've now got very few resources--financial or human resources--to duplicate or engage in paper chases.

The Vice-Chair (Mr. Jim Brownell): That brings us to the end of your deputation. I want to thank you for appearing here today.

CANADIAN MANUFACTURERS AND EXPORTERS

The Vice-Chair (Mr. Jim Brownell): Next we have the Canadian Manufacturers and Exporters.

Please step up, take a seat and say your names so that we can have them recorded for Hansard purposes. You will have 10 minutes for your presentation, and we'll have five minutes split between the parties for questions. Begin now.

Mr. Ian Howcroft: My name is Ian Howcroft. I am vice-president, Canadian Manufacturers and Exporters, Ontario division. With me is Nancy Coulas, our director of environmental quality.

On behalf of CME, I'd like to thank you for this opportunity to comment on Bill 167 and offer insight from our members' perspective.

Before we turn to some of the specific or substantive comments, I think it's important to say a few things about CME and about manufacturing and the important roles we play in the Ontario economy that will help put things into context.

We speak for the manufacturing and exporting sector. Our member companies account for about 75% of Ontario's manufacturing output and approximately 90% of Ontario exports. Our members represent a broad variety of industry sectors, with approximately 85% of them being SMEs. Consequently, we feel we're very well

placed to speak for manufacturers and exporters here in Ontario.

In Ontario alone, the manufacturing sector accounts for approximately 15% to 16% of the GDP, producing about \$300 billion worth of manufacturing output. Further, the manufacturing and exporting sector provides employment for approximately 800,000 Ontarians directly, and about 1.5 million other Ontarians have their employment indirectly linked to manufacturing. Consequently, one out of every six jobs depends on the manufacturing sector. This is after, I should point out, significant losses that we've experienced in the manufacturing sector since the high point in 2002. These are highly skilled and highly paid jobs in many, many instances. On average, wages paid are 25% above the national average. Every dollar invested in manufacturing generates \$3.25 in total economic activity. It's the highest multiplier of any sector.

I would also like to highlight that the manufacturing sector has realized great success in reducing greenhouse gas emissions. They've actually fallen by 9.3% between 1990 and 2005. We raise these facts again to demonstrate how important manufacturing is and how we have had some significant successes.

However, manufacturers are trying to respond to challenges. They're implementing new strategies; managing cash flow wisely using financing, hedging, pricing, contracting, outsourcing; and focusing on what customers value to eliminate waste, to innovate and to find solutions in specialized products, services and customization. They're developing new markets in Canada and around the world, leveraging logistics advantages and achieving results through people, through skills and through workforce capabilities.

In order to better respond to the challenges, manufacturers need Ontario's help to assist manufacturers with key problems, such as access to financing, providing a competitive tax structure and encouraging investment and providing a competitive regulatory infrastructure.

The Open for Business initiative in Ontario is of prime importance to manufacturers as it seeks to provide what manufacturers need to compete in today's marketplace: a regulatory environment that is practical, achievable, low-cost, effective and timely.

I'd like to turn to Nancy to ask her to talk about some of the specifics that we have with regard to the bill. Again, we support its objectives and goals, but we do have some concerns as to how we get there.

Ms. Nancy Coulas: As Ian said, CME members are highly supportive of effective toxics management. They recognized the importance of this long before Bill 167, with the implementation of ISO 14000 standards, voluntary pollution prevention programs and other federal government regulatory initiatives, and they fully realize the benefits of being environmentally responsible members of their communities.

Many CME members participated in the federal government's accelerated reduction and elimination of toxics program, which was developed jointly by govern-

ment, environmental groups and industry. By the year 2000, ARET attracted participation from eight industry sectors, 171 companies and 318 facilities and made reductions of about 70,000 tonnes of ARET toxic substances.

Ontario manufacturers have also been improving productivity using the "lean" philosophy of reducing waste, and they're now recognizing the importance of the "lean" lens on environmental issues. CME continues to assist its members to implement "lean."

We understand that Ontario has a desire to follow the Massachusetts model for toxics reductions. CME has had discussions with its industry counterparts in Massachusetts, and we've learned that while their program has evolved significantly over the last 20 years, it was certainly a very tough start for their manufacturers. The manufacturing numbers in Massachusetts today have declined significantly--over the past 20 years, that is--since they began their program, but they also face challenges similar to those facing Ontario companies, other than environmental and regulatory challenges. In Ontario we need to do a bit better for our manufacturers.

It's important to note that CME members are typically users of a wide number of substance. This leaves CME members more susceptible to costs and burden associated with compliance with the proposed legislation. We're concerned about the amount of regulatory burden that the legislation may add, and believe it's important to ensure that regulatory and paper burden are properly addressed.

We understand that many issues of concern that we outline today are going to be considered in the regulatory development phase of this legislation, but we believe that the issues we present here are important enough to be addressed in a forum that provides a true democratic process.

Getting into the main concerns that CME has, one main concern is the contents of the toxics reduction plan. We appreciate the voluntary approach to implementation of the plan, but the development of the plans is going to mean significant extra paper burden for manufacturers. To address this, changing the requirement to do one plan per facility, and not one plan per substance, would greatly improve the paper burden for CME members because, as noted above, they have numerous chemicals in the manufacturing processes.

The legislation should allow for one plan for a facility, and enable efficiency by allowing facilities to choose and address a manageable number of substances based on the expertise of that manufacturing facility.

We've made a few suggestions where the act could be changed to help the situation.

It would also be helpful for industry and the environment if the processes that are most significant sources of substances would be considered when developing plans. We've also made some recommendations for those changes.

To give you an example of why this would be important, and I know the CVMA gave an example as well: If you look at a substance like chromium, chromium

compounds may be used in a wide variety of processes in a manufacturing facility, such as chrome plating, dyes, pigments, leather, wood and cooling tower water, used in drilling and textiles, and even the toner for photocopying machines. So it would be more practical if a company only needed to report on the significant sources of chromium compounds.

CME members also believe it's important to provide equivalency with other certified environmental management systems, such as ISO 14001, with no changes to that EMS, and provide powers to MOE directors to recognize these plans.

With respect to toxic substance accounting, CME believes that MOE should not dictate which type of accounting system a company uses. If a company is already using a recognized accounting method, it should not be required to change. There would be no environmental benefit to this, and it would add unnecessary costs for compliance.

CME is not opposed to public reporting. However, there is a real concern about confidential business information being exposed under this legislation. Industry has worked with the federal government extensively in reporting information publicly, and CME suggests that MOE use this information learned, work with the federal government and ensure that we don't miss any of the important issues. MOE must ensure, by clearly stating in the act, that manufacturers' confidential business information cannot be used by competitors.

1640

The Vice-Chair (Mr. Jim Brownell): There's one minute remaining in your presentation.

Ms. Nancy Coulas: In the presentation that you have in front of you, I've basically outlined the six ways that we felt the legislation could be improved, but I'd also like to suggest that MOE run five trials or pilots of the legislation, five each of small, medium and large-sized companies, before the requirements come into force. This would allow MOE to recognize any needed changes with the legislation prior to full implementation.

The Vice-Chair (Mr. Jim Brownell): Thank you. We will start with the third party.

Mr. Peter Tabuns: Thank you for coming in and making the presentation today. I appreciate the way you approach the bill and the kinds of changes you wanted.

One of the issues that's come up in presentations is the establishment of a toxics reduction institute that would assist manufacturers in actually implementing the plans and identifying processes or substances that would help them reach the act's goals. How do you see such an initiative?

Ms. Nancy Coulas: I think that would be very useful for small and medium-sized companies. Big companies have environmental engineers on staff and they've been working these issues, as I mentioned, prior to Bill 167. But I know the smaller and medium-sized companies will have some issues and that Massachusetts has--I'm not sure if it's just a website or if they have an actual--

Mr. Peter Tabuns: They do have an institute.

Ms. Nancy Coulas: Yes, an actual institute. But I've talked to the Massachusetts industry and they believe it's very helpful to medium-sized and smaller companies as well.

The Vice-Chair (Mr. Jim Brownell): Thank you. Mr. Flynn.

Mr. Kevin Daniel Flynn: Thank you, Nancy, for your presentation. Two brief questions: I need you to help me understand your request that a facility plan be used instead of individual toxins, because I'm wondering--and this goes back to the CVMA presentation as well; they asked for the same thing. How do you develop a facility plan without developing a plan for each of the individual ingredients or toxins or emissions that are being used? Also, we had somebody here today from OCETA, who gave us three examples of where it was a no-brainer that you would move to a toxics reduction because it made money, it didn't cost a lot of money and the payback was very short; you'd be a very poor business person if you didn't do what these people did. What type of specific assistance does business need for some of the higher-hanging fruit?

Ms. Nancy Coulas: I'll answer the second question first. There's a lot of research, I guess, that goes into changing a chemical substance in a company's process. Certainly a small or medium-sized company is going to really need that technical assistance to find out what chemical it can replace a certain substance with. Also, the actual reporting of the chemicals is going to be a challenge for some of the smaller companies.

Mr. Kevin Daniel Flynn: Do I have 10 seconds?

The Vice-Chair (Mr. Jim Brownell): You have 10 seconds.

Mr. Kevin Daniel Flynn: Okay. How do you develop that big plan without looking at the individual toxins?

Ms. Nancy Coulas: I think that certainly for the bigger companies that have maybe 100 substances, they are going to know exactly what their priority substances are, where the significant uses are, so that they would track those significant uses first and then work toward more substances that are less commonly used in the process--

The Vice-Chair (Mr. Jim Brownell): Thank you.

Mr. Toby Barrett: You mentioned the Massachusetts legislation. I got an e-mail from Dave Wawer, CEO of the Massachusetts Chemistry and Technology Alliance. They did a study based on US government toxic release inventory emissions that found there was no link between that law and emissions in those New England states. In fact, they did a follow-up study, and Massachusetts lagged behind the other five states that do not have that TURA law. Lastly, he indicated that as manufacturing jobs left Massachusetts for other states or countries, the reporting of chemical use declined. Any comments on that? We just got this a few days ago.

Ms. Nancy Coulas: Yes, and I've spoken with the manufacturers' association in Massachusetts and their environmental policy person. He said that it's been absolutely tough implementing this legislation. They've

gone through actually many iterations but, yes, he feels first of all that there's very little manufacturing left and he finds it difficult to comment on whether that has actually reduced the emissions. He would agree with that study.

Mr. Toby Barrett: This indicated it didn't work.

Ms. Nancy Coulas: Yes.

The Vice-Chair (Mr. Jim Brownell): Thank you for your presentation this afternoon and have a good afternoon.

Would Toronto Public Health be here, David McKeown? No.

CANADIAN PLASTICS INDUSTRY ASSOCIATION

The Vice-Chair (Mr. Jim Brownell): Next, we'll have EPIC, Canadian Plastics Industry Association. Welcome to the hearings. Make yourself comfortable. You will have 10 minutes for a presentation and five minutes for questions following that presentation. Please state your name for Hansard purposes and begin.

Dr. Fred Edgecombe: My name is Fred Edgecombe. I'm representing the Canadian Plastics Industry Association and its Environment and Plastics Industry Council.

Mr. Chairman and honourable members, the Canadian Plastics Industry Association appreciates the opportunity to comment on Bill 167. Previously, CPIA commented on the discussion paper and we did attend the consultation sessions.

CPIA is a national association representing the Canadian plastics industry. CPIA's members comprise resin producers, processors of plastics resins into articles of commerce, manufacturers of machinery and moulds, as well as compounders and suppliers of chemicals and additives to the plastic processors.

On the basis of value shipments, the plastics industry is the third-largest manufacturing sector in Canada. Forty-eight per cent of Canada's manufacturers of plastics, about 1,800, are located here in Ontario and we employ about 55,000 people. As an industry, we are committed to the protection of public health and the environment. However, the bill, as drafted, will lead to arbitrary application affecting hundreds of plastics companies, adding another costly burden on the industry. Thus, as an industry, we are concerned.

We believe that toxic substances are well controlled by the Canadian Environmental Protection Act, CEPA, and the federal chemicals management plan. The federal government is well advanced in its risk assessment of chemicals and the institution of management plans for those which put the public and the environment at risk. We are recommending that Ontario not devise an independent system but, rather, harmonize Bill 167 with CEPA and the chemicals management plan.

Areas of Bill 167 which should be amended to facilitate this harmonization include the definition of "toxic substance." The definition of "toxic substance" in section

2 of the act is of particular concern to us. The definition as it exists in section 2 is one that is prescribed by regulations. We believe this definition is inadequate and one which will result in the arbitrary selection and labelling of substances as toxic when they are not.

There needs to be evidence that chemicals have been assessed scientifically for both their hazard and risk to public health and the environment. Paracelsus said in the 15th century that dosage makes the poison. It is the analysis of risk that determines the dosage. For example, I suspect that some members of this committee added a small quantity of sodium chloride to their eggs this morning; they're still here. But if this committee was adrift in a lifeboat at sea and its members started to drink seawater, the quantity of sodium chloride in that water would soon kill them.

The federal chemicals plan is carrying out assessments of hazard and risk. Ontario should not duplicate the CMP and add another cost burden to Ontario taxpayers. Without consistency with CEPA, industry is subject to arbitrary rules, and economic consequences to the province could be severe.

We recommend that the definition of "toxic" in section 2 be consistent with that used in the Canadian Environmental Protection Act. Bill 167 should refer to CEPA and its schedule for the list of toxic substances that will be applicable for regulation under the bill.

Regarding the application of the act, Bill 167, as written, applies only to the manufacturing and mining sectors of the economy. Since the focus of the bill is public health, it should include other sectors which use toxic substances, for example, municipalities which are large users of chlorine, a chemical that was listed in the discussion paper as toxic.

1650

We recommend that regulations pursuant to Bill 167 not be restricted to manufacturing and mining for substances deemed to be toxic under CEPA.

Regarding the process for managing toxic chemicals: Section 4 of Bill 167 does not outline any process for managing a chemical which has been designated to be toxic other than reducing its use. In some cases, risk to public health and the environment from the use of toxic substances can be managed through other mechanisms, and these should be allowed. CEPA includes management options such as environmental performance agreements as a mechanism to control use and eliminate releases. Simply reducing use can have severe economic consequences.

For example, in the discussion paper, ethylene is declared toxic. The principal use of ethylene is to manufacture polyethylene. In the riding of Sarnia--Lambton, there are three world-scale polyethylene plants. Reducing the use of ethylene will have a major economic effect on their operation. In addition, in the riding there is also a large producer of ethylene which would be affected. Polyethylene is a world commodity which could be imported into the province from either Alberta or as far away as Qatar in the Persian Gulf.

CPIA strongly recommends that the Ontario government amend Bill 167, section 4, to include other options to manage toxic substances such as environmental performance agreements and management plans developed pursuant to CEPA.

Regarding public disclosure: Section 10, subsection (4) of the bill permits the director to make information available to the public. Extreme care is required so that any information released to the public is not misconstrued, causing collateral damage to another substance. As previously stated, ethylene, a gas, is used to make polyethylene, a solid, a totally different substance. Information released to the public on ethylene could negatively impact many plastic products, ranging from packaging to automotive parts, based on ethylene.

If it is the intent of the ministry to link toxic chemicals to the manufacture of a consumer product, we are strongly opposed to that as well. It will result in chemophobia amongst Ontario citizens. Furthermore, since it is only plants in Ontario that have to report, the province risks a further loss of local jobs to imports which will not be subject to the same control and scrutiny.

We recommend that an additional clause be added to section 10 that states the director is not permitted to link a toxic chemical to a specific consumer product unless that product has been assessed under CEPA and determined to be toxic. We also recommend that section 10, subsection (4), be amended to require the director, prior to releasing any information publicly, to carry out an economic assessment of potential damage to another substance through misinterpretation by the public of information which the director may release.

As the bill is currently drafted, the costs to many plastic processors would be detrimental. Ontario's plastic processing sector has been hard hit in this economic climate. The downturn of the auto industry and the slowdown in the building sector have had their impact. The passing of the bill, as drafted, would have severe impacts on the plastics processing sector, one that is highly innovative and highly technical. Additional costs could drive some Ontario-based companies to seek less costly jurisdictions.

We, CPIA, believe in product stewardship, and that includes the control of toxic emissions. In working with Environment Canada, CPIA has proactively led the development of product stewardship programs to manage the release of chemicals into the environment.

The Vice-Chair (Mr. Jim Brownell): You have one minute remaining in your presentation.

Dr. Fred Edgecombe: Thank you.

Such programs include an environmental performance agreement on the use of tin stabilizers and an environmental management program for the vinyl sector.

CPIA, in working with industry, has identified other opportunities to further our product stewardship efforts through the development of best practices to manage the use of substances in our industry. We believe such proactive approaches should be endorsed and fostered by the province of Ontario as supporting co-operative efforts between industry and governments.

In summary, our comments stress the need to harmonize Bill 167 with the federal government's chemical management plan. We have made recommendations on some areas of Bill 167 that need to be amended to accomplish harmonization. There is an opportunity to leverage the federal government programs and to avoid significant costs to both the Ontario government and industry, which is highly desirable in the current economic climate.

The Vice-Chair (Mr. Jim Brownell): Thank you. That brings us to the end of the presentation. Mr. Flynn, you have the first question.

Mr. Kevin Daniel Flynn: Thank you, sir, for your presentation today. I just want to focus a little bit on the public disclosure. I remember a scene from *The Graduate*, where Dustin Hoffman is quite young and gets advice to go into plastics.

Dr. Fred Edgecombe: Yes.

Mr. Kevin Daniel Flynn: He was a baby boomer. I suspect that if the same advice was given to somebody from Generation X or Generation Y, the advice wouldn't be taken. I think times have changed a little bit and when you talk about public disclosure, you're saying that for some reason some things should not be disclosed. My sense, being in politics for a long time, is that the consuming public wants more knowledge now, not less. So how do you justify the right of a company to maintain its trade secrets or whatever it has going, proprietary information, with that increasing desire of the public to know exactly what they're dealing with when they make a purchase?

Dr. Fred Edgecombe: We're concerned primarily about what we call collateral damage. If you state that ethylene, for example, is toxic and a plastic bag or a dry cleaning bag is manufactured from polyethylene, unfortunately there is collateral damage resulting against this other product, which is not toxic. Consequently, it affects the business.

By the way, going back to *The Graduate* again, I'm sure that there are many facets of the plastics industry that are far more sophisticated.

Mr. Kevin Daniel Flynn: I was being facetious.

The Vice-Chair (Mr. Jim Brownell): Thank you. That brings us to the end of the government. Mr. Barrett?

Mr. Toby Barrett: That line in that film is a good example of the power of emotion and the impact that maybe that can have. You use the term "chemophobia." I think you raised the point about people having a desire for knowledge about these kinds of things and they get the emotional messages; I don't know whether they get the facts.

To what extent has the Ontario government explained to people what they're doing here? I'm not aware of any public meetings. I'm an environment critic; I haven't been aware of anything. Is this more of an inside baseball, that the government—I assume there were some meetings held for the various industries. To what extent has the government laid this out for the people of Ontario?

Dr. Fred Edgecombe: I don't believe they have, and certainly if you went to some of the consultation sessions, you would find that certain staff members of the Ontario government were very much confused.

Mr. Toby Barrett: Is there something inherently wrong with this federal legislation that Ontario has to essentially replace it?

Dr. Fred Edgecombe: I would say not, actually. The federal government has looked at 23,000 chemicals on a domestic substances list. It has narrowed that down. It has put out an industry challenge for more information on other materials--

The Vice-Chair (Mr. Jim Brownell): That brings us to an end. Mr. Tabuns, you're next.

Mr. Peter Tabuns: I will pass.

The Vice-Chair (Mr. Jim Brownell): Okay. Thank you for your presentation this afternoon.

TORONTO PUBLIC HEALTH

The Vice-Chair (Mr. Jim Brownell): Next we have Toronto Public Health. Step right up to the table. Please introduce yourselves for Hansard purposes; we have to have that clear. You have 10 minutes for the presentation. We will have five minutes for questioning.

Dr. David McKeown: Thank you very much, Mr. Chairman. My name is David McKeown. I'm the medical officer of health for the city of Toronto. I'm joined today by Mr. Rich Whate, who works in the environmental protection office at Toronto Public Health.

I'm glad to see that the government is conserving energy by not air conditioning this room; you can tell as soon as you walk into the room.

Thank you very much for the opportunity to speak with the committee today. My comments are going to draw on the past three years that my colleagues and I at Toronto Public Health have spent researching toxics reduction programs in other jurisdictions and consulting with businesses, worker agencies, health and environmental organizations and with Toronto residents, in fact, to develop our own environmental reporting and disclosure bylaw, which Toronto city council adopted last year. It comes into effect at the same time, January 2010, as the proposed legislation that you're dealing with today.

I'm also pleased that Toronto Public Health was able to contribute to the development of the proposed act by having one of our staff sit on the government's scientific expert panel. That's Dr. Monica Campbell, who's the manager of the environmental protection office.

1700

Let me begin by commending the provincial government for proposing legislation which is aimed at protecting the health of Ontarians and our environment by reducing the use and release of toxic chemicals. This initiative also represents, I think, an important opportunity to stimulate the innovation that is essential to a robust and green manufacturing sector in Ontario. In both of these areas, Ontario is quite right to join a growing

global move to modernize and align chemical and environmental health policy.

The proposed act, in my view, has several key strengths:

--first, requiring facilities to track chemical use. Toxic substances that are used in manufacturing and other industrial processes or that end up in products do represent an immediate or, in some cases, a potential risk to the health of workers and the public, which is my main concern as the medical officer of health. Tracking chemical use is the first and essential step toward reducing or replacing these substances with safer alternatives;

--second, requiring facilities to produce toxics management plans. This will create public commitments to reducing chemicals and enable the facilities, government and the community to measure progress toward these goals;

--third, requiring public disclosure of information. I think this is an extremely important component of the legislation. It introduces public scrutiny, engages and informs communities, and further stimulates pollution prevention. I think the experience that we've seen in other jurisdictions shows that releasing chemical usage information can stimulate environmental innovation that can reward many companies with both loyal customers and increased profitability.

However, Ontario's legislation should be progressive and should acknowledge how chemical policy is being modernized around the world. Bill 167, as it's currently proposed, is missing several elements that would align it with progressive laws like the Massachusetts toxics reduction act and its new proposed safer alternatives bill, California's green chemistry act, and REACH in the European Union.

I do recommend that the ministry add several elements to the final act or its regulations, many of which were suggested by the ministry's own toxics reduction scientific expert panel:

--first, mandatory phase-outs or substitution of high-hazard substances. The act gives the minister the authority to identify and regulate high-hazard substances, but it's not clear how the regulations will provide for this. I would urge the ministry to include specific provisions in the act and in the regulations for ensuring that this process is an open one, subject to regular review, so that the list of substances addressed reflects scientific developments and includes specific dates for companies to achieve the elimination or substitution of high-hazard substances;

--second, targets for toxics reduction. I believe the act should set specific targets for the reduction of the use and release of toxic substances. For example, the Massachusetts Toxics Use Reduction Act was enacted with a target of a 50% reduction in hazardous waste in 10 years. This target was achieved, and I think similar kinds of targets should be considered for Ontario's program;

--third, lowering of reporting thresholds over time. The use or release of chemicals from small and medium-sized facilities, which would not be covered by the

proposed legislation, contributes to a cumulative exposure for Ontarians, which is of concern from a health point of view. Lower reporting thresholds would motivate smaller businesses to reduce chemicals and provide valuable local-level information for communities and for public health officials. The act should include provisions for reviewing and lowering reporting thresholds over time;

--fourth, the creation and funding of an independent institute to increase technical capacity of industry and to advance research and commercialization of green chemistry. The ministry, we believe, should create and fund an institute which is independent of government, composed of a collaboration of academics, government and industry. This should be modeled on approaches such as the Toxics Use Reduction Institute in Massachusetts and the Eco-Efficiency Centre at Nova Scotia's Dalhousie University. These collaborations provide businesses with pollution prevention advice which is state of the art and help train the next generation of green industrial scientists;

--fifth, clear targets for the review, restriction and labelling of consumer products that contain hazardous substances. The act provides authority to the minister to review chemicals in consumer products, to regulate their manufacture of sale and labelling. The act should include timelines for the province to identify priority substances and products for regulation and labelling;

--finally, capacity building for small and medium-sized facilities. The proposed act includes capacity-building measures, including technical assistance and incentives for regulated facilities, those large facilities which meet the release targets that are included in the act. Under the act, these facilities have the same threshold as NPRI.

I agree with the suggestion made by the scientific expert panel that capacity building should also be available to support small and medium-sized facilities. They use and release priority substances at levels that are under the reporting thresholds, but they're very important to the overall impact on health and the environment because of the usual close proximity of smaller facilities to the places where people live, in particular in urban centres.

Let me just conclude by confirming that the proposed act is complementary and not in conflict with Toronto's new environmental reporting and disclosure bylaw, which is one of the city government's many commitments to environmental sustainability and the greening of local businesses. Toronto, under this new bylaw, will collect and disclose important data on 25 priority substances used and released by thousands of local facilities which are too small to be captured by the proposed provincial legislation but which nevertheless contribute to exposure to chemicals in neighbourhoods across this city.

Toronto's program will also provide supports for small and medium-sized businesses to assist them to report and to adopt pollution prevention measures. Both the Toronto bylaw and the proposed act will come into

force at the same time--at the beginning of 2010--and Toronto public health staff are working closely with the Ministry of the Environment to ensure that these programs work effectively together.

The Chair (Mr. David Oraziotti): Thank you for your presentation. Mr. Barrett.

Mr. Toby Barrett: Thank you, Doctor. So this bylaw will be coming into force next year. Is there any duplication with this proposed legislation or any duplication or triplication with the federal law that also requires this kind of reporting?

Dr. David McKeown: No. Of course, we're aware of the federal legislation, which exists, and we actually delayed bringing forward an approval of our own local legislation until we saw the shape of the proposed provincial toxics use reduction legislation, so we have designed our legislation so that it complements rather than conflicts with other levels of government.

Mr. Toby Barrett: This will be applied to thousands of businesses, and they're missed by the federal program and they're missed by the provincial program?

Dr. David McKeown: That's correct. There are only about 300 businesses within the city of Toronto that are covered by the NPRI. That would be a similar number that would be covered by the proposed legislation provincially.

Mr. Toby Barrett: The 25 priorities that you've identified: Is this primarily stuff that would end up in sewers, for example, or is it air emissions or ground emissions?

Dr. David McKeown: It's mostly air emissions. That's the main focus of this legislation, since there are existing city statutes that deal with sewer use discharge, for example.

Mr. Toby Barrett: Okay. Thank you.

The Chair (Mr. David Oraziotti): Thank you. Mr. Tabuns?

Mr. Peter Tabuns: David, thanks very much for the presentation and the recommendations. If the bill is not, in fact, modified, as you have proposed, where will we see the weaknesses?

Dr. David McKeown: We know from the experience of other jurisdictions that we do see reductions in emissions just as a result of public reporting and support for pollution prevention, but I think the recommendations that have to do with setting targets give us an additional degree of assurance that those changes are going to happen over time.

Mr. Peter Tabuns: Mandatory substitution is something that you propose in this letter. It's in place with REACH and in place with the California legislation. You're suggesting that we put it forward here.

Dr. David McKeown: Yes. I think we want to see the mechanism put in place to identify those substances which are technically feasible to substitute for or phase out and then set targets for them. Clearly, it's not possible for all substances to be covered by the legislation, but for those in which there's a really strong business case, it makes sense to set targets.

The Chair (Mr. David Oraziotti): Thank you, Mr. Flynn.

Mr. Kevin Daniel Flynn: Thank you, Dr. McKeown, for your presentation. I'm assuming--I'm not sure if you've done this--you've done a jurisdictional scan of the experience of other jurisdictions in this regard. Previously, Mr. Barrett, as late as this afternoon, was trying to imply that the initiative that took place down in Massachusetts did not work. Dr. Ken Geiser, a professor of work environment and director of the Lowell Centre for Sustainable Production at the University of Massachusetts, was actually a member of the expert panel. He tells us that Massachusetts has never seen any evidence studies or any data to support the claims of the opposition and the organizations they contacted that toxic legislation has in any way adversely impacted business. In fact, the data shows that companies have voluntarily reduced toxic chemical use while maintaining their competitive advantage. Industries subject to reporting since 1990 have reduced their toxic chemical use by 40%, by-products by 71% and releases on-site by 91%. I'm impressed by that, compared to other jurisdictions. What would your opinion be of that?

1710

Dr. David McKeown: We did review the Massachusetts experience as a part of developing our own local legislation, and we found evidence that there were tangible and substantial reductions in emissions of hazardous substances. There was also perhaps less complete information but nonetheless information that there were benefits to business economically as a result.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Thanks for coming in today.

CEMENT ASSOCIATION OF CANADA

ST MARYS CEMENT GROUP

The Chair (Mr. David Oraziotti): Our next presentation is the Cement Association of Canada, St Marys Cement. Good afternoon and welcome to the Standing Committee on General Government. You have 10 minutes for your presentation and five for questions. You must state your name for the purposes of our recording Hansard, and you can begin when you're ready.

Mr. Michael McSweeney: Michael McSweeney.

Mr. Martin Vroegh: And Martin Vroegh.

Mr. Michael McSweeney: Thank you very much, Mr. Chairman and members of the committee, for seeing the cement association again so soon after seeing us during the review of the Green Energy Act. I won't repeat a lot of what I've said, but we're here today to comment on the Toxics Reduction Act and to let you know some of our thoughts on that. I would like to provide a very brief context because I do see some new faces around the table.

Our cement companies include names that you'll know: Lafarge, Holcim, Essroc, Federal White, and St. Marys Cement. Together they manufacture over seven

million tonnes of cement and meet all of Ontario's cement needs, employ over 1,000 Ontarians and contribute over \$1 billion to economic activity here in the province.

Cement is a fine grey powder which, when mixed with water, becomes the glue that holds all of the materials together that form concrete. Cement has been made for thousands of years, and still today, there is no substitute for cement. So when you see concrete out there, the cement is about 8% to 10% of that composition. Without cement, there is no concrete. Concrete is an essential ingredient to rebuilding Ontario's infrastructure.

On the Toxics Reduction Act--and I'm starting at slide 4, for your information--our member companies do take their responsibility for sound environmental management seriously. Toxic substances present risks to human health and the environment, and these risks must be managed, there's no question about that. Under our auspices and the World Business Council on Sustainable Development and in line with the Stockholm Convention, the global cement industry has endorsed a global strategy for the reduction and elimination of risks associated with persistent organic pollutants; those pollutants that pose the greatest risk due to their persistence in the natural environment and their tendency to bioaccumulate.

On slide 5, I'd like to point out that it is with great consideration that we offer the following recommendations with respect to the proposed legislation. We fully recognize that the proposed act is the framework legislation and does not present the full detail on the government's approach. However, we believe that it is of paramount importance that the legislation not be unduly limiting and that the full range of acceptable approaches be clearly articulated so it is not unintentionally limiting the ministry's interpretation or capacity to respond to the spirit of the legislation both efficiently and effectively.

We have three recommendations to avoid overlap and duplication, providing for a sector-specific approach, and ensuring that the regulation is risk-based with adequate consultations with the affected parties.

Slide 6: The approach of managing toxic substances outlined in the proposed act has the potential to be very duplicative, especially of the approach that is currently being administered by the federal government through the chemicals management plan and the designation of toxic substances under schedule 1 toxic substances list of the CEPA, 1999. The federal toxics process has involved substantial consultation with industry, environmental groups and non-governmental organizations, as well as the general public, and the CEPA is broadly endorsed across Canada.

In 2006, Canada became the first country to complete the risk-based prioritization or categorization of roughly 23,000 existing substances being used domestically here in Canada. These substances were evaluated with regard to their toxicity, their persistence in the natural environment and their potential for bioaccumulation.

Through the chemicals management plan, the government of Canada has initiated an information-gathering

and risk assessment process for the highest-priority substances identified through the categorization process. Where warranted as a result of these assessments, the federal approach also provides for extensive measures to control the use or release of the substance.

I would like to remind honourable members that Ontario, as part of the Canadian Council of Ministers of the Environment, pledged to take a harmonized approach to toxics management with the federal government. To be consistent with this pledge, we recommend that the Toxics Reduction Act, first, formally recognize the potential for overlap and duplication, especially with the federal government's efforts, including the chemicals management plan and the CEPA toxics process; and secondly, we'd ask you to provide the Minister of the Environment and his staff with a specific directive that would say there should be no overlap and duplication with current schemes out there.

On slide 7: Approximately 70% of these substances are considered for designation as toxic substances, and they've been identified as relevant to the cement manufacturing sector--70% are relevant to the cement manufacturing sector. However, most of these substances are present in the raw materials only, and when processed by the industry pose no risk to human health or the environment, either through the handling of the raw materials or the handling of the finished product. To the extent that any of these substances of concern do pose risks to human health and the environment, they do so as a result of their coincidental release into the atmosphere as a result of the manufacturing process. These releases, however, are already aggressively managed by the Ontario cement manufacturing companies as part of our response to the Stockholm Convention and as required already by the province's comprehensive air approvals and local air quality regulations under the Ontario Environmental Protection Act. Requirements for further reporting and toxic reduction planning in the cement sector are unlikely to contribute to any further and meaningful environmental or human health benefits.

Slide 8: At the same time, tracking, monitoring and reporting represent real costs to our industry and other industries across the province. A broad-based blanket approach, as was identified in this discussion document, would be administratively burdensome to industry in Ontario and would truly fly in the face of the government's Open for Business thrust that it is also trying to implement in Ontario at the same time. Furthermore, broad-based reporting, such as is undertaken already for the National Pollutant Release Inventory, leads to data with low-level accuracy and reliability, data which is frankly unusable as a basis for policy analysis and regulation.

Taking a sector-based approach, however, and designating priority substances based on risk would shift the focus from quantity of reporting to quality of reporting, and would be more efficient and more effective in reducing risks associated with toxic substances. We therefore recommend that specific provision for a sector-

based approach, including a risk-based prioritization of substances, be explicitly included in the act to ensure that subsequent interpretation is open to finding this approach consistent and within the spirit and intent of the Toxics Reduction Act.

Slide 9: Subsection 64 of the proposed act includes broad regulatory authorities, including the authority to:

(1) Prohibit or regulate the manufacturing, sale or distribution of a substance or product containing a substance;

(2) Prescribe circumstances in which a person who manufactures, sells or distributes a substance or related product is required to give notice to the public or specified persons; and finally

(3) Specify the contents of a notice to the public or specified persons.

These are extremely broad and powerful regulatory powers and must be very carefully applied to avoid unintended, perverse outcomes. If there is to be any distinguishing between products based on their contents, it must be done on the basis of environmental and human health exposure pathways and corresponding risk. Having said that, the risk must still be communicated clearly and accurately, so there is a very real need for upfront consultation with affected parties. The cement sector has had to confront poor risk communication often in the past.

For example, the Green Guide for Health Care is a prime example of poor risk communication which ultimately contributes to an increased risk from toxic substances. Under the Green Guide for Health Care, and without any supporting risk assessment, hospitals, for example, that use concrete containing fly-ash cement are penalized due to concerns that fly ash in cement could contain mercury residues from the combustion of coal in the electric power plants. Rather than posing a risk, however, the mercury is chemically bound in this cement and concrete matrix, and the use of fly-ash cement actually reduces the overall risk to the public compared to the conventional alternative of disposing of fly ash in landfills.

1720

To minimize the potential for perverse outcomes resulting from directing consumer preferences to alternatives that may actually pose a higher risk to themselves and the environment, we recommend that the final act include language directing the ministry to take a risk-based approach to product regulation, including consideration of both inherent toxicity and exposure pathways, and to undertake consultations with affected parties prior to making their intent to regulate known.

Finally, on slide 10, and in closing, the proposed Toxics Reduction Act leaves a number of significant decisions to regulatory development. The act is very unclear in terms of the specifics of how it will be applied to industry, and there is a need for inclusion of language in the act to provide more explicit direction with respect to avoiding overlap and duplication with federal programs, including the option to take a sector-based

approach with targeted, risk-based selection of substances; and ensuring that product-focused regulatory powers are applied based on total risk and only after consultation with the affected parties.

Thank you again for taking the time to hear us and for the opportunity to tell our story once again. We welcome any questions that you have.

The Chair (Mr. David Oraziotti): Thank you for your presentation. Mr. Tabuns, you're first up.

Mr. Peter Tabuns: I appreciate you taking the time to come down and make the presentation. I have to say that I'm consistently taken aback by people citing the federal government as a source of good environmental management. The commissioner on environmental sustainability reported just in December of this past year that one chemical that they took as an example, declared toxic in 1999, has seen its emissions treble since that time. This is a federal government, both under Liberal and Conservative hands, that has allowed greenhouse gas emissions to increase dramatically in Canada, far more than even under the Bush administration in the United States. Why do you think that there's an interest here in taking action on toxic chemicals if the federal government is actually doing a good job?

Mr. Michael McSweeney: We feel that we comply with all of the regulations that we have to file under the NPRI, and if there is a problem with what the governments do with that data, then that problem should be fixed--and not thinking that just because you're going to approve a Toxics Reduction Act that it's going to be any better or any worse. What industry needs to be competitive in the province of Ontario is business certainty and low administrative costs. If you are going to collect data, do something with it, but don't ask us to collect data and then not ask us to do anything with it.

Mr. Peter Tabuns: I'm entirely in agreement. Simply having an exercise at collecting data and then filing the books or the CDs is a useless process. In fact, if we collect data, we should be talking with you about how in fact we can deal with the chemicals or the releases that are of concern. I don't have a problem with that. I'm not interested in paper creation.

Mr. Martin Vroegh: I certainly agree also, on top of that, with one window of reporting. If it's going to be one for federal, one for provincial, one for municipal, it starts to become an added burden. If we could somehow get that to work together and reported in one window, all of the information, and then use that data accordingly, so if it's going to be some kind of improvement to--if it's NPRI, then work with NPRI so we're collecting the data in the same sort of format and the same way.

Mr. Michael McSweeney: Yes. This is a data collection exercise--

The Chair (Mr. David Oraziotti): Thank you. That's time for questions. We're going to move on. Mr. Flynn.

Mr. Kevin Daniel Flynn: Thank you for the presentation. Two brief questions: I'm assuming, and correct me if I'm wrong, that a bag of St Marys cement is the same as a bag of St. Lawrence cement. I'm sure that

Martin will tell me that St Marys is better, but essentially they're the same ingredient, they're the same product that I would buy at a Rona or at a Home Depot.

Mr. Martin Vroegh: In general, yes.

Mr. Kevin Daniel Flynn: So there must be some competitive advantages in the process that leads to the creation of that within the business itself that the business would want to achieve. Is that a fair statement?

Mr. Martin Vroegh: Yes.

Mr. Kevin Daniel Flynn: Like it or not, I know from my experience with St. Lawrence Cement in my neighbouring municipality that the cement manufacturing industry in Ontario is a bit of a lightning rod for the environmental movement, and I didn't cause that. It's just something that's emerged over the years.

As I understand, what I got out of your presentation, though, today was a positive one--that you agree with the end result, but you're not sure about the process we're employing to get there. Is that a fair statement as well?

Mr. Michael McSweeney: Yes. We want to be part of the solution, but we want to remain competitive and we want to keep that billion dollars here in Ontario and not have it migrate to other jurisdictions because Ontario's not a good province to invest in.

Mr. Kevin Daniel Flynn: Right, but you agree that Ontarians have the right to expect the healthiest environment that they can?

Mr. Michael McSweeney: Absolutely.

Mr. Kevin Daniel Flynn: Thank you.

The Chair (Mr. David Oraziotti): Thank you. Mr. Barrett.

Mr. Toby Barrett: Reading your brief, in 2006 Canada became the first country to complete the risk-based prioritization of the 23,000 substances, and we just heard as well that the city of Toronto is bringing in a bylaw. They're setting priorities. They're going to focus on 23 substances.

I guess I'm mystified why this government would not set priorities, why it seems determined to try and capture on paper, on reporting just about every substance that would be flowing through your process or through an oil refinery, whether it's a risk or not. There's always a danger of an emission, I suppose, or a spill. But is there any valid reason why they would reject the risk-based approach and go with the precautionary approach or the emotional approach, whatever this other approach is called?

Mr. Martin Vroegh: Off the top and without knowing anything else about it, I would suggest that it's out of simplicity. Risk-based would require a risk-based study and a risk-based assessment.

Mr. Toby Barrett: There's no mechanism here for any kind of assessment that way. It's essentially process--paper process, fill out the forms every year or every two years, no targets, no action beyond that--

Mr. Michael McSweeney: Collecting data does not protect the health of Ontarians.

Mr. Toby Barrett: Okay.

The Chair (Mr. David Orazietti): Thank you for coming in today.

ONTARIO MINING ASSOCIATION

The Chair (Mr. David Orazietti): Our next presentation is the Ontario Mining Association. Good afternoon and welcome to the Standing Committee on General Government. Welcome back to Queen's Park, Mr. Hodgson.

Mr. Chris Hodgson: Thank you. It's a beautiful day. Good afternoon, Chair and members of the committee. My name's Chris Hodgson. I'm president of the Ontario Mining Association. With me today are Adrianna Stech, manager of environment and sustainability at the OMA, and Mike Dutton, director, environmental and health science, Vale Inco Ltd. Mike is here representing the OMA's environment committee. So thank you for granting us the time.

We very much appreciate the opportunity to appear today to address Bill 167, the Toxics Reduction Act, which is of considerable interest to the members of the OMA and could significantly impact their activities.

The Ontario Mining Association was established in 1920 to represent the mining industry in the province and is one of the longest-serving trade organizations in the country. We have a long history of working in concert with the government to ensure the mining industry in Ontario is competitive and that our industry is a leader in environmental protection.

Because of their environmental leadership position, our members are supportive of the government's aim to improve the protection of the environment and human health by encouraging a reduction in harmful exposures to chemical substances in Ontario's communities. The Ontario government should be commended for its intent to develop this legislation, following the example of jurisdictions, such as Massachusetts, where, to quote the government's April 7 press release, "successful toxic reduction legislation [has been] in place for several years."

However, in our earlier submissions to the Ministry of the Environment, we indicated that OMA has fundamental concerns related to the details surrounding the implementation of the government's strategy on toxics management.

First and foremost, we continue to be concerned that a definition of "toxic substance" has been left to regulation, so it's unclear how a "toxic" will be characterized. Based on preliminary consultation, a broad-brush approach to designating substances as "toxic" is expected.

To label a substance "toxic" is no simple matter. Toxicity will vary according to the nature of exposures--inhalation, skin contact or ingestion--the form of the substance to which exposure occurs and duration of exposure. This is why we strongly urge the government to refrain from the inclusion of substances based solely on consideration of their inherent toxicity without a disciplined consideration of exposure, which is a critical element of full risk evaluation and thoughtful manage-

ment of chemical substances. This is not simply an industry stance; it's an issue of science, identified by the scientific expert panel that the Ministry of the Environment has commissioned to provide guidance on its toxics reduction strategy.

1730

Specifically, Ontario's toxics reduction scientific expert panel recommends that "additional effort should be directed towards listing specific metal substances...." We agree. Deterring legitimate uses of metals on the basis that they have been classified as toxics would be highly inappropriate. While it may well be that Ontario has no intention to act officially to ban metals, we are concerned that the effect of applying the term "toxic" to metals under broad classifications such as "copper and compounds" or "zinc and compounds" will surely induce disorganized and unplanned substitution in the marketplace in Ontario. If key metals and alloys are designated as being toxic, appropriate uses in stainless steel sinks, cutlery, water supply and rustproofing--just to name a few common examples--could be stigmatized in the marketplace.

Allow me once again to refer to the recommendations made by the scientific expert panel:

"Consider eliminating from phase 1 some high-volume, but relatively less toxic chemicals such as aluminum and compounds, copper and compounds ... and zinc compounds" and others, "which would significantly add to reporting facilities' challenges with relatively less toxics reduction impact."

In this regard, we also encourage Ontario to take a renewed look at the Massachusetts model, which is singled out as a success in the government's press release. It should be noted that Massachusetts has a very small mining industry, with no metal mining, contributing \$193 million to the state's GDP of \$326 billion in 2005. In comparison, Ontario's mining sector contributed \$7.4 billion to Ontario's \$493-billion GDP in 2005. The metals sector contributed \$5 billion of this. Despite the relatively insignificant size of the metal mining sector in Massachusetts, a review led to the exclusion of metals and alloys from the state's toxics reduction legislation.

It makes infinite sense that Ontario should adopt the exclusion of metals and alloys in the legislation. It would be wasteful to require Ontario industries to devote resources to processes that would invariably produce the same conclusions arrived at in the model jurisdictions, such as Massachusetts. In addition, we strongly urge the MOE to review the previously cited expert panel's memo dated December 31, 2008, which recommends that a priori assessments of alternatives be carried out before including substances on the toxics lists. The current approach suggested in the discussion paper, Creating Ontario's Toxics Reduction Strategy, of simply adopting the National Pollutant Release Inventory, or NPRI, substance list will target metals and alloys. We believe this approach may have unintended consequences involving health, environment and the economy. Society should not

simply adopt alternatives to metals and alloys without assessing alternatives ahead of time.

In summary, I would once again like to emphasize the OMA's support of the intent of the government's toxics reduction strategy and Bill 167. In selecting an approach to toxics management, however, we believe that there are valuable lessons to be learned from the government-selected Massachusetts model and Ontario's toxics reduction scientific expert panel: namely, that Bill 167 should explicitly exclude metals and alloys. Leaving this important decision to the regulation development stage creates a needless period of uncertainty that runs counter to the government's overriding policy to make Ontario open for business.

We appreciate your consideration regarding our concerns and we'd welcome any questions.

The Chair (Mr. David Oraziotti): Thank you very much for your presentation. Mr. Flynn, if you'd like to go ahead.

Mr. Kevin Daniel Flynn: Thank you, Mr. Hodgson, for your presentation. I appreciate the tone of the presentation and your support of the intent. When you talk about the reasons that we should perhaps exclude things like copper and compounds and zinc and compounds, you bring forward, I think, some compelling arguments, that they are things we use in everyday things--you know, knives and forks. You also say that it contributes quite heavily to the economy, which it does--

Mr. Chris Hodgson: I just want to point out that Massachusetts wasn't influenced by the mining lobby when it came to that conclusion.

Mr. Kevin Daniel Flynn: No, that's fine. And I buy that--I mean, that is a significant contribution. Is there a way of attaching a health perspective to that argument? That's what this is all about: It's about people's health. How do you make that same argument and include health in there?

Mr. Chris Hodgson: I think Massachusetts had the same motive behind their legislation. It all revolves around the health of our citizens. They came to the conclusion that the health of the citizens would be better protected by not including metals and alloys in their legislation.

Mr. Kevin Daniel Flynn: Thank you.

The Chair (Mr. David Oraziotti): Thank you. Mr. Barrett.

Mr. Toby Barrett: Thank you to the mining association. As you indicate, Massachusetts essentially does not have a mining industry.

Mr. Chris Hodgson: They have a very small one. They don't have a metals industry.

Mr. Toby Barrett: Okay. And with respect to Ontario's industry--as you point out, a \$7.4-billion industry--once you are sending these forms in, anything that is done after that will be voluntary. But is there anything realistically that can be done with some of the product that is mined and smelted, with respect to substituting other chemicals to extract or come up with the finished product?

Mr. Chris Hodgson: No. If you take the NPRI proposal and just take their list, that includes nickel, copper and the alloys. So by deeming them toxic, some other company that wants to produce a product might say, "Well, we don't want to use a toxic product because it will hurt our sales." They might look for an alternative or a substitute. We're saying that some of those substitutes might be worse than a recycled material of copper. If copper is inherently toxic, that doesn't mean it creates a health hazard for individuals unless they ingest it. But to use it in plumbing pipes, for example--copper has been used for hundreds of years, and nobody has shown a better alternative in terms of--

Mr. Toby Barrett: But in the smelting or the refining, which would use other chemicals to extract the finished product, is there anywhere in the world--do they have other substitutes that can be used?

Mr. Chris Hodgson: I can let Mike talk to that.

Mr. Mike Dutton: There are opportunities to utilize new processing techniques, and they're being developed. For example, there are some new--I guess we'd call them green chemistry--approaches that would allow flotation of the metals in the milling and concentration processes that could be recyclable. These developments are good developments, I guess.

Your question indicates that you're a little bit off-centre from where we're coming from, which is the very products that we make, the metals that we make, that we're concerned about the substitution. But we do agree that there are opportunities to continue to improve environmental performance.

Mr. Toby Barrett: Is anybody in the world doing this, or does Ontario have to take the lead? That's what concerns me. What's the slippery slope on this?

Mr. Chris Hodgson: We will be leaders in the environmental production of the metal. Our concern is that if you say it's an inherent toxic material, it will change the marketplace in Ontario. Massachusetts went through this and they came to the conclusion that "This doesn't make sense for the health of our citizens." They weren't subject to the economic pressure that might have been there to maybe offset the environmental or the health concerns. They came to the conclusion that, no, it should be exempted, and that's why they exempted it. That's what we're asking for. How we get to provide that nickel to the marketplace is a constant-improvement area, and we will definitely take into regard any improvements to make it a safer process when we derive the nickel that goes on to the marketplace, or the copper or the zinc. But just to come out and say that everything's going to be listed as toxic, we think is the wrong approach.

The government has acknowledged that Massachusetts has it right. We're saying, "Just follow that."

The Chair (Mr. David Oraziotti): Thank you. Mr. Tabuns.

Mr. Peter Tabuns: Chris, I appreciate the presentation, and I appreciate the support for taking action on toxic contamination. I want to look at what Massachusetts has done.

I have to tell you, I do have some concerns. I come from a riding which has had an historic problem with lead poisoning. Canada Metals operated in the south end of my riding, and contaminated a large residential area. We had kids who had lead in their blood; we had health effects from that. We know that cadmium, a heavy metal, can be toxic. Port Colborne, down on Lake Erie, has had a problem with very high levels of nickel in the soil.

You have to use metal. I think that stainless steel is an extraordinarily useful product, and I know you can't have it without nickel. So for me, it's not a question of not listing metals; it's a question of how you manage so that you don't get the negative effects, because you're going to have to use those metals.

I appreciate you pointing it out. I think we should look at Massachusetts, and I would appreciate it if legislative research staff would actually bring us information on how Massachusetts came to that decision.

But in your approach, are you saying that there are no circumstances under which metals would be toxic to people?

Mr. Chris Hodgson: No, no, quite the contrary. We're saying that the process--the examples you gave, are how we came to get the nickel or the lead or whatever. Of course, there are always constant improvements. There are horror stories of legacy issues. Going forward, our industry has invested hundreds of millions of dollars to make sure that we produce these products in a less toxic manner.

But when the product is finished, the product that goes out in the market, we're saying that shouldn't be on a list as toxic. Copper, for example: Yes, if you eat it, it might create some health hazards. But to replace it, you should look at the alternatives. I think that's the process that Massachusetts looked at, and they said, "Well, is there a healthier alternative?" Without looking at that, why would we rule that that product shouldn't be on the market?

Mr. Peter Tabuns: I appreciate it.

Mr. Chris Hodgson: The examples you're talking about are producing the product. We're talking about the end product going to the market.

The Chair (Mr. David Oraziotti): Thank you very much. That's time for your presentation. We appreciate you coming in today.

Mr. Chris Hodgson: Thank you very much. I appreciate that.

The Chair (Mr. David Oraziotti): For the purposes of members of the committee, amendments are to be filed with the clerk's office by noon on Thursday. That's this Thursday, May 28. The committee will meet for clause-by-clause consideration of the bill on Monday, June 1, and the location will be sent to you.

That's it for today. Committee is adjourned.

The committee adjourned at 1739.

STANDING COMMITTEE ON GENERAL GOVERNMENT

Chair / Président

Mr. David Oraziotti (Sault Ste. Marie L)

Vice-Chair / Vice-Président

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mr. Robert Bailey (Sarnia–Lambton PC)

Mr. Jim Brownell (Stormont–Dundas–South Glengarry L)

Mrs. Linda Jeffrey (Brampton–Springdale L)

Mr. Kuldip Kular (Bramalea–Gore–Malton L)

Mr. Rosario Marchese (Trinity–Spadina ND)

Mr. Bill Mauro (Thunder Bay–Atikokan L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. David Oraziotti (Sault Ste. Marie L)

Mrs. Joyce Savoline (Burlington PC)

Substitutions / Membres remplaçants

Mr. Toby Barrett (Haldimand–Norfolk PC)

Mr. Kevin Daniel Flynn (Oakville L)

Mr. Yasir Naqvi (Ottawa Centre / Ottawa-Centre L)

Mr. Peter Tabuns (Toronto–Danforth ND)

Clerk / Greffier

Mr. Trevor Day

Staff / Personnel

Mr. James Charlton, research officer,
Research and Information Services

CONTENTS

Monday 25 May 2009

Toxics Reduction Act, 2009, Bill 167, Mr. Gerretsen / Loi de 2009 sur la réduction des toxiques, projet de loi 167, M. Gerretsen	G-753
Ontario BioAuto Council	G-753
Mr. Craig Crawford	
Ontario Centre for Environmental Technology Advancement.....	G-754
Mr. Fred Granek	
Canadian Consumer Specialty Products Association	G-756
Ms. Shannon Coombs; Ms. Anne McConnell	
Mr. Arthur Jefford	G-758
Canadian Chemical Producers' Association.....	G-761
Mr. Norm Huebel; Mr. David Peters	
Dr. Miriam Diamond.....	G-764
Pollution Probe	G-766
Ms. Julie Sommerfreund	
Automotive Parts Manufacturers' Association.....	G-768
Mr. Peter Corbyn	
Canadian Paint and Coatings Association.....	G-771
Mr. Jim Quick	
Canadian Vehicle Manufacturers' Association.....	G-774
Mr. Mark Nantais	
Canadian Manufacturers and Exporters.....	G-776
Mr. Ian Howcroft; Ms. Nancy Coulas	
Canadian Plastics Industry Association	G-779
Dr. Fred Edgecombe	
Toronto Public Health	G-781
Dr. David McKeown	
Cement Association of Canada; St. Marys Cement Group.....	G-783
Mr. Michael McSweeney; Mr. Martin Vroegh	
Ontario Mining Association	G-786
Mr. Chris Hodgson; Mr. Mike Dutton	



3 1761 11467370 0